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Contents

Federal Register

Vol. 63, No. 134

Tuesday, July 14, 1998

Agriculture Department
See Commodity Credit Corporation
See Federal Crop Insurance Corporation
See Food and Nutrition Service
See Forest Service
NOTICES
Meetings:
Research Facilities Strategic Planning Task Force, 37828

Alcohol, Tobacco and Firearms Bureau
NOTICES
Agency information collection activities:
Proposed collection; comment request, 37933–37941

Army Department
See Engineers Corps
NOTICES
Environmental statements; availability, etc.:
M1 Abrams Main Battle Tank Heavy Armor System, 37858–37859

Centers for Disease Control and Prevention
NOTICES
Committees; establishment, renewal, termination, etc.:
Diabetes Prevention and Control Programs Translation Advisory Committee, 37883–37884
Hanford Thyroid Morbidity Study Advisory Committee, 37884
Grants and cooperative agreements; availability, etc.:
Emerging infections applied research program; novel diagnostic tests for infections of public health significance, 37884–37889

Children and Families Administration
NOTICES
Agency information collection activities:
Proposed collection; comment request, 37889–37890

Civil Rights Commission
NOTICES
Meetings; State advisory committees:
District of Columbia, 37849

Coast Guard
RULES
Great Lakes pilotage regulations:
Reorganization
Correction,37943

Commerce Department
See Export Administration Bureau
See International Trade Administration
See National Institute of Standards and Technology
See National Oceanic and Atmospheric Administration
See Technology Administration
NOTICES
Agency information collection activities:
Submission for OMB review; comment request, 37849

Commodity Credit Corporation
NOTICES
Agency information collection activities:
Proposed collection; comment request, 37828–37829

Defense Department
See Army Department
See Defense Intelligence Agency
See Defense Logistics Agency
See Engineers Corps
See Navy Department

Defense Intelligence Agency
NOTICES
Meetings:
Science and Technology Advisory Board, 37859

Defense Logistics Agency
NOTICES
Privacy Act:
Systems of records, 37860–37864

Education Department
NOTICES
Agency information collection activities:
Submission for OMB review; comment request, 37875
Privacy Act:
Computer matching programs, 38063–38064

Energy Department
See Federal Energy Regulatory Commission

Engineers Corps
NOTICES
Environmental statements; availability, etc.:
Devils Lake, ND; emergency outlet to Sheyenne River, 37864
Santa Fe and Whittier Narrows Dams, CA; water conservation and supply study, 37865–37866

Environmental Protection Agency
RULES
Hazardous waste:
Identification and listing—
Recycled used oil management standards, 37780–37782
Superfund program:
National oil and hazardous substances contingency plan—
National priorities list update, 37782
PROPOSED RULES
Drinking water:
National primary drinking water regulations—
Long term 1 enhanced surface water treatment and filter backwash recycling; meeting, 37797
Hazardous waste:
Identification and listing—
Exclusions, 37797–37808

Executive Office of the President
See Management and Budget Office
See Trade Representative, Office of United States

Export Administration Bureau
RULES
Export administration regulations:
Foreign policy-based export controls; Serbia and Montenegro, 37767–37774

Federal Aviation Administration
RULES
Airworthiness directives:
General Electric Co., 37761–37763
Pratt & Whitney, 37765–37767
Rolls-Royce Ltd., 37763–37765
Class E airspace; correction, 37943
PROPOSED RULES
Airworthiness directives:
British Aerospace, 37793–37795
Saab, 37795–37796
NOTICES
Air traffic operating and flight rules, etc.:
Civil penalty actions; Administrator's decisions and orders; index availability, 37914–37930
Exemption petitions; summary and disposition, 37930–37931
Passenger facility charges; applications, etc.:
Huntsville International Airport, 37931

Federal Communications Commission
RULES
Television broadcasting:
Cable television systems—
Horizontal ownership limits, 37790–37792
PROPOSED RULES
Television broadcasting:
Cable television systems—
Horizontal ownership limits, 37812–37815
Ownership attribution rules, 37815–37820

Federal Crop Insurance Corporation
NOTICES
Crop revenue coverage:
Wheat, 37829–37847

Federal Deposit Insurance Corporation
RULES
Resolution and receivership rules:
Least cost resolutions, etc., 37760–37761

Federal Emergency Management Agency
RULES
Flood elevation determinations:
Arkansas et al., 37784–37789
Flood insurance; communities eligible for sale:
Michigan et al., 37783–37784
PROPOSED RULES
Flood elevation determinations:
Alaska et al., 37808–37812
NOTICES
Disaster and emergency areas:
Florida, 37877–37878
Massachusetts, 37878–37879
Minnesota, 37879
Ohio, 37879–37880
Pennsylvania, 37880
Texas, 37880
West Virginia, 37880–37881

Federal Energy Regulatory Commission
NOTICES
Applications, hearings, determinations, etc.:
Columbia Gas Transmission Corp., 37875–37876
Columbia Gulf Transmission Co., 37876
Florida Gas Transmission Co., 37876–37877
NorAm Gas Transmission Co., 37877
Public Utility District No. 1 of Pend Oreille County, 37877

Federal Maritime Commission
NOTICES
Freight forwarder licenses:
Cross Trans Services USA, Inc., 37881
Crowley Logistics, Inc., et al., 37881

Federal Mediation and Conciliation Service
NOTICES
Agency information collection activities:
Proposed collection; comment request, 37881–37882

Federal Reserve System
NOTICES
Banks and bank holding companies:
Change in bank control, 37882–37883
Formations, acquisitions, and mergers, 37883
Permissible nonbanking activities, 37883

Financial Management Service
See Fiscal Service

Fiscal Service
RULES
Bonds and notes, U.S. Treasury:
Series I U.S. savings bonds; offering circular and governing regulations, 38035–38060

Fish and Wildlife Service
NOTICES
Endangered and threatened species permit applications, 37900–37902
Environmental statements; availability, etc.:
Arthur R. Marshall Loxahatchee and Hobe Sound National Wildlife Refuges; Palm Beach and Martin Counties, FL; meeting, 38061–38062

Food and Drug Administration
NOTICES
Organization, functions, and authority delegations:
Dockets Management Branch; relocation and partial closing; correction, 37890
Reports and guidance documents; availability, etc.:
Hatch-Waxman amendments to the Federal, Food, Drug and Cosmetic Act; 180-day generic drug exclusivity, 37890–37891

Food and Nutrition Service
RULES
Food stamp programs:
Mickey Leland Childhood Hunger Relief Act—
Quality control modifications; reporting and recordkeeping requirements, 37755
NOTICES
Agency information collection activities:
Proposed collection; comment request, 37848–37849

Forest Service
NOTICES
Meetings:
Intergovernmental Advisory Committee, 37849

Geological Survey
NOTICES
Agency information collection activities:
Proposed collection; comment request, 37903

Health and Human Services Department
See Centers for Disease Control and Prevention

See Children and Families Administration
See Food and Drug Administration
See Health Resources and Services Administration
See Inspector General Office, Health and Human Services Department
See National Institutes of Health
See Substance Abuse and Mental Health Services Administration

Health Care Financing Administration
See Inspector General Office, Health and Human Services Department

Health Resources and Services Administration
NOTICES
Agency information collection activities:
Proposed collection; comment request, 37891

Inspector General Office, Health and Human Services Department
NOTICES
Program exclusions; list, 37891–37894

Interior Department
See Fish and Wildlife Service
See Geological Survey
See Land Management Bureau
See National Park Service
See Surface Mining Reclamation and Enforcement Office

Internal Revenue Service
NOTICES
Agency information collection activities:
Proposed collection; comment request; correction, 37943

International Trade Administration
NOTICES
Antidumping:
Silicon metal from—
China, 37850

International Trade Commission
NOTICES
Meetings; Sunshine Act, 37907

Labor Department
See Mine Safety and Health Administration
See Occupational Safety and Health Administration

Land Management Bureau
NOTICES
Environmental statements; notice of intent:
Pinedale Anticline Natural Gas Field Development Project; Sublette County, WY, 37903–37904
Withdrawal and reservation of lands:
Colorado
Correction, 37904

Management and Budget Office
NOTICES
Metropolitan Statistical Areas:
Missoula, MT, 37911

Mine Safety and Health Administration
PROPOSED RULES
Coal mine safety and health:
Underground coal mines—
Diesel particulate matter; occupational exposure, 37796–37797
Ventilation; safety standards, 38065–38071

National Gambling Impact Study Commission
NOTICES
Meetings, 37908–37909

National Highway Traffic Safety Administration
PROPOSED RULES
Motor vehicle safety standards:
Glazing materials—
Light transmittance requirements, 37820–37827

National Institute of Standards and Technology
NOTICES
Meetings:
In Situ burning of oil spills; workshop, 37850–37851

National Institutes of Health
NOTICES
Meetings:
Center for Scientific Review, 37894–37895
National Cancer Institute, 37895–37896
National Institute of Dental Research, 37897
National Institute of Environmental Sciences, 37896
National Institute of Mental Health, 37897–37899
National Institute on Alcohol Abuse and Alcoholism, 37896–37897

National Oceanic and Atmospheric Administration
NOTICES
Permits:
Endangered and threatened species, 37851–37852 , 37900–37902
Marine mammals, 37852–37853

National Park Service
NOTICES
National Register of Historic Places:
Pending nominations, 37904–37905
Native American human remains and associated funerary objects:
Mississippi, University of; Department of Sociology and Anthropology; Oxford, MS, 37905–37906
Robbins Museum of Archaeology, MA; cultural items from Taunton, MA, 37906
San Diego Historical Society, San Diego, CA; repatriation, 37906–37907

National Transportation Safety Board
NOTICES
Meetings; Sunshine Act, 37909

Navy Department
NOTICES
Environmental statements; availability, etc.:
Base realignment and closure—
Defense Department Housing Facility, Novato, CA, 37866–37871
Inventions, Government-owned; availability for licensing, 37871–37874
Meetings:
Naval Postgraduate School Board of Advisors to Superintendent, 37874–37875

Neighborhood Reinvestment Corporation
NOTICES
Meetings; Sunshine Act, 37909

Northeast Dairy Compact Commission
RULES
Rulemaking procedures and producer referendum, 37755–37759

Nuclear Regulatory Commission
NOTICES
Meetings:
Post-fire safe shutdown circuit analysis; public workshop, 37909–37910
Reactor Safeguards Advisory Committee, 37910
Meetings; Sunshine Act, 37910–37911
Applications, hearings, determinations, etc.:
Duke Power Corp., 37909

Occupational Safety and Health Administration
NOTICES
Agency information collection activities:
Proposed collection; comment request, 37907–37908

Office of Management and Budget
See Management and Budget Office

Office of United States Trade Representative
See Trade Representative, Office of United States

Postal Service
RULES
Domestic Mail Manual:
Rate, fee, and classification changes, 37945–38033

Public Debt Bureau
See Fiscal Service

Public Health Service
See Centers for Disease Control and Prevention
See Food and Drug Administration
See Health Resources and Services Administration
See National Institutes of Health
See Substance Abuse and Mental Health Services Administration

Securities and Exchange Commission
NOTICES
Self-regulatory organizations; proposed rule changes:
National Association of Securities Dealers, Inc., 37911–37912
Pacific Exchange, Inc., 37913–37914

Substance Abuse and Mental Health Services Administration
NOTICES
Meetings:
SAMHSA special emphasis panels, 37899

Surface Mining Reclamation and Enforcement Office
RULES
Permanent program and abandoned mine land reclamation plan submissions:
West Virginia, 37774–37777

Surface Transportation Board
NOTICES
Railroad operation, acquisition, construction, etc.:
Burlington Northern & Santa Fe Railway Co., 37931–37932
Gauley River Railroad, L.L.C., 37932
Mississippi & Tennessee Railnet, Inc., et al., 37932
North American RailNet, Inc., 37932–37933

Technology Administration
NOTICES
Grants and cooperative agreements; availability, etc.:
Competitive technology stimulation experimental program (EPSCoT), 37858

Trade Representative, Office of United States
NOTICES
Intellectual property rights protection, countries denying policies and practices:
Honduras; correction, 37943

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

Treasury Department
See Alcohol, Tobacco and Firearms Bureau
See Fiscal Service
See Internal Revenue Service
RULES
Currency and foreign transactions; financial reporting and recordkeeping requirements:
Bank Secrecy Act; implementation—
Funds transmittals by financial institutions; conditional exceptions to full compliance with safe harbor provisions of Travel Rule; correction, 37777–37778

United States Information Agency
NOTICES
Art objects; importation for exhibition:
Buddhist Treasures from Nara; Cleveland Museum of Art, 37941

Veterans Affairs Department
RULES
Disabilities rating schedule:
Cold injuries, 37778–37779
Medical benefits:
Non VA physicians; allowance for drug prescriptions to be filled by non-VA pharmacies in state homes under VA contracts, 37779–37780
NOTICES
Privacy Act:
Systems of records, 37941–37942

Separate Parts In This Issue

Part II
Postal Service, 37945–38033

Part III
Department of the Treasury; Fiscal Service, 38035–38060

Part IV
Department of Education, 38061–38062

Part V
Department of Labor, Mine Safety and Health Administration, 38063–38064

Part VI
Department of the Interior, U.S. Fish and Wildlife Service, 38065–38071

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

CFR PARTS AFFECTED IN THIS ISSUE

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

7 CFR
272.....37555
275.....37755
1361.....37755
1371.....37755

12 CFR
360.....37760

14 CFR
39 (3 documents) 37761, 37763, 37765
71.....37943

Proposed Rules:
39 (2 documents) 37793, 37795

15 CFR
740.....37767
746.....37767
774.....37767

30 CFR
948.....37774

Proposed Rules:
72.....377796
75 (2 documents) 37796, 38065

31 CFR
103.....37777
317.....38035
321.....38035
330.....38035
359.....38035
360.....38035

38 CFR
4.....37778
17.....37779

39 CFR
111.....37945

40 CFR
261.....37780
279.....37780
300.....37782

Proposed Rules:
141.....37797
142.....37797
261.....37797

44 CFR
64.....37783
65.....37784
67.....37808

Proposed Rules:
67.....37813

46 CFR
401.....37943
402.....37943

47 CFR
76.....37790

Proposed Rules:
76 (2 documents) 37812, 37815

49 CFR

Proposed Rules:
571.....37820

Rules and Regulations

Federal Register
Vol. 63, No. 134
Tuesday, July 14, 1998

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each week.

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

7 CFR Parts 272 and 275

Food Stamp Program: Quality Control Provisions of the Mickey Leland Childhood Hunger Relief Act

AGENCY: Food and Nutrition Service, USDA.

ACTION: Final rule; announcement of effective and implementation dates.

SUMMARY: This action announces the effective and implementation dates for certain provisions in final regulations published June 2, 1997, Food Stamp Program: Quality Control Provisions of the Mickey Leland Childhood Hunger Relief Act. The affected provisions contain information collections relating to Quality Control system arbitration and good cause processes. These information collections needed Office of Management and Budget (OMB) approval, in accordance with the Paperwork Reduction Act of 1995, prior to their implementation. A notice published in the **Federal Register** on December 19, 1997, solicited comment on the proposed information collections. OMB approved the information collections through June 30, 2001.

DATES: The information collections at 7 CFR 275.3(c)(4) are effective August 13, 1998 and will be implemented October 1, 1998, for the fiscal year 1999 Quality Control reporting period. Information collections at 7 CFR 275.23(e)(5) and at 7 CFR 275.23(e)(7) will be implemented August 13, 1998. Information collections at 7 CFR 275.23(e)(9) will be implemented October 1, 1998, for the fiscal year 1999 Quality Control reporting period.

FOR FURTHER INFORMATION CONTACT: Retha Oliver, (703) 305–2474.

SUPPLEMENTARY INFORMATION: The final rule, Food Stamp Program: Quality Control Provisions of the Mickey Leland Childhood Hunger Relief Act (''Leland Rule'') published June 2, 1997 (62 FR 29652), contains information collections that are subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44.U.S.C. 3507). These information collections pertain to the Quality Control (QC) burden for the arbitration and good cause processes. The implementation dates in this notice affect the following provisions in the Leland Rule: 7 CFR 275.3(c)(4) [Arbitration]; 7 CFR 275.23(e)(5) [State agencies' liabilities for payment error—Fiscal Year 1992 and beyond]; 7 CFR 275.23(e)(7) [Good Cause]; and 7 CFR 275.23(e)(9) [Timeframes for announcing State agency error rates, for notifying States of their error rates and liabilities, and for completing all cases].

During final clearance of the Leland Rule, OMB determined that the reporting and recordkeeping burdens associated with the arbitration and good cause processes needed to be submitted for OMB approval through an approval process specifically designed for paperwork burdens. In accordance with the Paperwork Reduction Act of 1995, a December 19, 1997, notice (62 FR 66593) solicited public comment on the reporting and recordkeeping burden for the QC sampling plan, arbitration and good cause. There was one comment on the notice. This comment disagreed with the estimated burdens for the sampling plan and the arbitration process, stating that the State it represented spent more time than allotted in the notice for these two activities. The Department did not revise these estimates. These estimates are averages for States and the Department believes the estimates in the notice more accurately reflect the amount of time that States, *on average*, expend on these activities. The reporting and recordkeeping burden associated with the Food Stamp Program QC System sampling plan, arbitration and good cause is approved through June 30, 2001 under OMB No. 0584–0303. This action establishes effective and implementation dates for the specified provisions in the Leland rule.

Dated: July 6, 1998.

George A. Braley,

Acting Administrator, Food and Nutrition Service.

[FR Doc. 98–18680 Filed 7–13–98; 8:45 am]

BILLING CODE 3410–30–U

NORTHEAST DAIRY COMPACT COMMISSION

7 CFR Parts 1361 and 1371

Rulemaking Procedures; Producer Referendum

AGENCY: Northeast Dairy Compact Commission.

ACTION: Interim rule with request for comments.

SUMMARY: This interim rule establishes and implements regulations governing administrative procedures for the Northeast Dairy Compact Commission. This rule provides the procedures for rulemaking, including processes for public notice, comment and hearing, and procedures for conducting a producer referendum, as part of the rulemaking process, including procedures for block voting by qualified cooperative associations of milk producers, as required by the Northeast Interstate Dairy Compact (''Compact'').

DATES: Interim rule effective July 14, 1998; Comments must be received on or before September 14, 1998.

ADDRESSES: Comments may be mailed to, or delivered to, Northeast Dairy Compact Commission, 43 State Street, P.O. Box 1058, Montpelier, Vermont 05601–1058 between the hours of 8:30 a.m.–5:00 p.m. Comments received may also be inspected at 43 State Street between 8:30 a.m.–5:00 p.m.

FOR FURTHER INFORMATION CONTACT: Kenneth M. Becker, Executive Director, Northeast Dairy Compact Commission at the above address or by telephone at (802) 229–1941, or by facsimile at (802) 229–2028.

SUPPLEMENTARY INFORMATION:

Background

The Northeast Dairy Compact Commission (the ''Commission'') was established under authority of the Northeast Interstate Dairy Compact (''Compact''). The Compact was enacted into law by each of the six participating New England states as follows: Connecticut-Pub. L. 93–320; Maine-Pub.

L. 89–437, as amended, Pub. L. 93–274; Massachusetts-Pub. L. 93–370; New Hampshire-Pub. L. 93–336; Rhode Island-Pub. L. 93–106; Vermont-Pub. L. 89–95, as amended, 93–57. In accordance with Article I, Section 10 of the United States Constitution, Congress consented to the Compact in Pub. L. 104–127 (FAIR ACT), Section 147, codified at 7 U.S.C. 7256. Subsequently, the United States Secretary of Agriculture, pursuant to 7 U.S.C. 7256(1), authorized implementation of the Compact.

This interim rule establishes the Compact Commission's regulations for the conduct of rulemaking proceedings, including the producer referendum balloting, as authorized under sections 11, 12, and 13 of the Compact. These rulemaking procedures apply only to the issuance, or amendment, of a compact over-order price regulation, or a commission marketing order, including any provision with respect to milk supply, and any process initiated by the Compact Commission in which the subjects and issues involved relate to such price regulation, commission marketing order, or provision with respect to milk supply or, proposed amendment thereto. The producer referendum is conducted in order to ascertain whether milk producers approve the issuance or amendment of such regulations or marketing order, as required by section 13 of the Compact.

List of Subjects in 7 CFR Parts 1361 and 1371

Administrative Practice and Procedure, Rulemaking, Milk.

Codification in Code of Federal Regulations

For reasons set forth in the preamble, the Compact Commission adds new parts 1361 and 1371 to 7 CFR chapter XIII as follows:

PART 1361—RULEMAKING PROCEDURES

Sec.

1361.1 Applicability.
1361.2 Commencement of proceedings.
1361.3 Notice.
1361.4 Submission of written comment and exhibits independent of the hearing.
1361.5 Conduct of the hearing.
1361.6 Availability of the transcript.
1361.7 Additional comment and proposed findings by interested persons.
1361.8 Commission deliberation and decision; proposed regulation; proposed findings.
1361.9 Effective date of regulation.
1361.10 Handler's right to petition for administrative review; Judicial review.
1361.11 Ex Parte Communications.

Authority: 7 U.S.C. 7256.

§ 1361.1 Applicability.

This section applies to:

(a) The establishment of a compact over-order price regulation, as defined in subsection 2(8) of the Compact, including any provision with respect to milk supply under subsection 9(f) of the Compact;

(b) Any amendment of such over-order price regulation or provision with respect to milk supply; and

(c) Any process initiated by the Compact Commission in which the subjects and issues involved relate to such price regulation or provision with respect to milk supply or, proposed amendment thereto.

§ 1361.2 Commencement of proceedings.

(a) Upon the Commission's initiative—The Compact Commission may commence a rulemaking proceeding on its own initiative, including upon the recommendation of the Committee on Regulations and Rulemaking.

(b) Upon the request of a state delegation—A state delegation may request the initiation of a rulemaking proceeding by presenting its request to the Committee on Regulations and Rulemaking. The Committee on Regulations and Rulemaking shall make a recommendation to the Compact Commission, through the Chair, as to whether the state delegation's request should be pursued; provided that the state delegation may in any event place its request before the Compact Commission for its consideration.

(c) Upon petition of any person or organization—In its sole discretion, the Compact Commission may commence a rulemaking proceeding upon petition of any person. Such persons or organizations may include individual milk producers or handlers, any organization of milk producers or handlers, general farm organizations, consumer or public interest groups, and local, state or federal officials.

(1) A person or organization petitioning for commencement of a rulemaking proceeding shall submit to the Compact Commission a statement in support of the petition. This statement shall include a brief written explanation of how the proposal will promote the purposes of the Compact.

(2) Petitions submitted under this paragraph shall be forwarded to the Committee on Regulations and Rulemaking for review. If that Committee determines the proposal will tend to promote the purposes of the Compact, the Committee shall notify the Chair of its determination. The Chair shall then convene the Compact Commission to determine whether the Commission desires to initiate a rulemaking proceeding based upon the petition.

(3) If the Committee on Regulations and Rulemaking determines the proposal will not tend to promote the purposes of the Compact, the Committee, through the Chair, shall promptly notify the petitioner of its decision. Notice of denial shall include a brief statement of the grounds for the denial. Upon the request of the petitioner, and in the discretion of the Chair, the Commission may review the denial of a petition by the Committee on Regulations and Rulemaking.

(d) Commencement of proceedings — At the discretion of the Compact Commission, the Chair shall commence any rulemaking proceeding. The Chair shall commence the proceeding by serving notice in accordance with § 1361.3.

§ 1361.3 Notice.

(a) Contents of the notice — subject matter—Notice filed by the Chair of the Commission shall include a concise summary of the proposed price regulation and provision with respect to milk supply, or proposed amendment, or a concise statement that such regulation or amendment is the subject and issue involved. If for specific, proposed regulation or amendment, the notice shall identify the geographic area and persons to be covered, and a proposed effective date. The notice shall also identify the Compact as the legal authority under which the price regulation is proposed.

(b) Contents of the notice — date, time and place of hearing — Notice shall be given of the date, time and place of the hearing to be held by the Compact Commission in accordance with section 11 of the Compact. The date of the hearing shall be at least 15 days after the publication of notice as provided in paragraph (d) of this section.

(c) Right to provide comment — The notice shall identify the right of any person to participate in the rulemaking proceeding by the submission of written comment, either as part of, or independent of, the hearing.

(d) Publication of notice and supplemental publicity — The Chair shall give notice under this section as follows:

(1) By publication in the **Federal Register**;

(2) By publication in the official register of each participating state and as otherwise required by the laws of the states. If the laws of a particular state do not require publication of notice in a newspaper of general circulation within

that state, the Compact Commission shall provide for such publication; and

(3) By correspondence to interested persons in accordance with a list of such persons compiled by the Compact Commission. Any interested person may have his or her name added to the list by making a written request to the Compact Commission.

(e) Notice may also be provided by:

(1) Forwarding copies of the notice to the governors of such other states as the Chair determines should be notified; or

(2) At the discretion of the Compact Commission, by issuance of a press release containing the contents of the notice or a summary of the contents of the notice to those newspapers in the area proposed to be subjected to regulation as will reasonably tend to bring the notice to the attention of interested persons; or

(3) Such other notice as directed by the Compact Commission.

§ 1361.4 Submission of written comment and exhibits independent of the hearing.

Any person may submit to the Compact Commission written comment and exhibits independent of the hearing. Comment and exhibits may be submitted at any time until the closing date of the post-hearing comment period established under § 1361.7. The comment and exhibits shall be made part of the record of the rulemaking proceeding if they identify the author's name, address and occupation and if they include a sworn, notarized statement indicating that the comment is presented based upon the author's personal knowledge or belief.

§ 1361.5 Conduct of the hearing.

(a) Presiding Officer—The Chair of the Commission shall be the presiding officer, or in his or her absence, the Vice-Chair. In the absence of either officer, the Compact Commission shall elect a presiding officer from those members present at the hearing or retain a qualified member of the public to serve as presiding officer.

(b) Authority of the Presiding Officer—The presiding officer shall have the authority to:

(1) Regulate the course of the hearing;

(2) Administer oaths and affirmations;

(3) Rule upon issues of evidence and procedure and receive affidavits; and

(4) Present questions to the Compact Commission for its determination.

(c) Recording of Notice—At the opening of the hearing, the presiding officer shall certify for the record the provision of notice under § 1361.3.

(d) Transcript—The Secretary of the Compact Commission shall cause a complete transcript to be kept of the hearing proceeding. The Secretary shall certify a true copy of the record of all testimony and exhibits entered into evidence.

(e) Appearance; Right to Appear—Any person shall be given an opportunity to appear, either in person or through a representative, subject to reasonable procedures (*e.g.*, regarding time allowed for testimony) established by the presiding officer. Witnesses shall provide their names, addresses and occupations for the record before proceeding to testify. A person acting as representative on behalf of another shall so identify himself or herself, provide his or her name, address and occupation for the record, and shall provide any other information as required by the presiding officer.

(f) Testimony—Persons shall be sworn or make affirmation before testifying. Any member of the Compact Commission or designated staff may ask questions of a person giving testimony.

(g) Evidence—To the degree possible, evidence shall be presented in a form consistent with the provisions of section 9(e) of the Compact. Evidence which is relevant and material to the subject matter of the hearing and is of a type commonly relied upon by reasonably prudent persons shall be admissible. Evidence that is irrelevant, immaterial or unduly repetitious shall be excluded. As possible, the relevancy of evidence shall be determined by reference to the provisions of section 9(e) of the Compact.

(1) Exclusion of evidence; objections and offers of proof—The presiding officer may act to exclude evidence on his or her own or upon a request by any Compact Commission member. The person testifying may object to a ruling to exclude evidence. The person shall state the reasons for the objection, and provide an offer of proof, consisting of a statement of the substance of the testimony or that which is expected to be shown by the answer; provided that the presiding officer may limit the length of time allowed for the offer of proof. The record shall reflect the objection, the stated basis for the objection and the offer of proof. The presiding officer shall either overrule the objection, and exclude the evidence from the record, or stay a ruling on the objection to permit action by the Compact Commission at a future time. If the Compact Commission, upon consideration of the objection and offer of proof, permits the evidence, it shall reopen the record and allow the testimony to be entered. Only evidence so received by proper objection and offer of proof may be the subject of future consideration. The person testifying shall be notified within three days of the Compact Commission's ruling on the objection.

(2) Exhibits, Documentary and Real Evidence—All written statements, charts, tabulations or similar data offered in evidence at the hearing shall be made part of the record upon identification by the witness and upon satisfactory showing of its authenticity, relevance and materiality. At the discretion of the presiding officer, any part of an exhibit that is irrelevant or immaterial may be excluded and the remainder admitted.

(3) Cost Conclusions—conclusory statements regarding costs shall be admissible only if supported by actual cost data based on actual operations of producers, handlers or retailers, as appropriate. Projections or estimates of costs shall be considered only where the actual costs or other data upon which such projections or estimates are provided as part of the analysis.

(4) Commission Evidence—The Compact Commission may introduce the results and data of any inquiry or investigation conducted by the Commission, or any other evidence it deems appropriate. The Commission may also designate as evidence all or part of the record of prior hearings before the Commission.

(5) Official notice—The Compact Commission may take official notice of such matters as are judicially noticed by the courts of the United States and any other matter of technical, scientific or commercial fact of established character. Matters taken by official notice shall be so designated in the record. Interested persons shall be given adequate notice of this action, at the hearing or afterward, and opportunity to demonstrate that the facts are inaccurate or were erroneously noticed.

§ 1361.6 Availability of the transcript.

(a) Availability—A copy of the hearing transcript shall be available for review at the Compact Commission place of business during its official business hours, within 48 hours of the completion of the hearing, unless otherwise specified by the presiding officer at the close of the hearing.

(b) Copies—A copy of the transcript may be obtained upon written request and payment of reasonable cost per page.

§ 1361.7 Additional comment and proposed findings by interested persons.

At the conclusion of the hearing, the presiding officer shall announce that persons who have participated in the hearing may submit comment and proposed findings of fact. The comment

or findings, or both, shall be received within fourteen calendar days of the conclusion of the hearing, unless otherwise specified in the published notice of proposed rulemaking. Any proposed findings shall be presented in a form consistent with the finding requirements of § 1361.8, and shall be based solely on evidence included in the record. Page numbers of the transcript, where supporting evidence appears, shall be cited whenever possible.

§ 1361.8 Commission deliberation and decision; proposed regulation; proposed findings.

(a) Commission deliberation and decision—The Compact Commission shall convene as a whole as soon as is practicable after the close of the post-hearing comment period. In accordance with the requirements of section 4 of the Compact, the Commission shall vote to decide whether to propose for referendum a Compact over-order price regulation and provision with regard to milk supply, or amendment thereof. A majority of the individual Commission members, with at least one member from each delegation, shall constitute a quorum for this deliberative meeting of the Compact Commission.

(b) Proposed regulation—If approved, the Compact Commission shall devise the proposed price regulation, and provision with respect to milk supply, or an amendment, by incorporating those provisions of sections 9 and 10 of the Compact as are necessary and appropriate. The regulation shall be set forth in sufficient detail so as to provide sufficient notice of its requirements to those subject to the regulation.

(c) Proposed findings—If a proposed regulation or amendment is approved, the Compact Commission shall prepare proposed findings of fact, in a form consistent with the requirements of section 12 of the Compact, with respect to:

(1) Whether the public interest will be served by the establishment of minimum milk prices to dairy farmers;

(2) What level of prices will assure that producers receive a price sufficient to cover their costs of production and will elicit an adequate supply of milk for the inhabitants of the regulated area and for manufacturing purposes;

(3) Whether the major provisions of the regulation or amendment, other than those establishing the Compact over-order price, are in the public interest and are reasonably designed to achieve the purposes of the regulation or amendment; and

(4) The need for a producer referendum in accordance with part 1371.

§ 1361.9 Effective date of regulation.

A Compact over-order price or amendment approved by referendum under part 1371 shall become effective in accordance with a schedule for administration established between the Compact Commission and the applicable Federal Market Order Administrator. Notice of the substance of the approved regulation or amendment, including the effective date, shall be given in accordance with § 1361.3. In addition, the Compact Commission shall ensure actual notice by certified mail, return receipt requested, to all milk processors who will be subject to the terms of the regulation on the effective date. The Compact Commission may provide notice to any other interested persons.

§ 1361.10 Handler's right to petition for administrative review; Judicial review.

(a) Petition—In accordance with section 16(b) of the Compact, and pursuant to the provisions of part 1381, any handler subject to an order of the Compact Commission establishing a Compact over-order price regulation may petition the Commission for hearing and review.

(b) Judicial Review—In accordance with the provisions of section 16(c) of the Compact, such handler shall have a right to judicial review of the Compact Commission's ruling with respect to the handler's petition for review.

§ 1361.11 Ex Parte Communications.

(a) Following notice of a hearing, pursuant to § 1361.3, and prior to the conclusion of a producer referendum, or the final decision of the Commission, whichever is later, no Compact Commission member or Commission staff person shall discuss ex parte the merits of the rulemaking proceeding with any person having an interest in the proceeding or with any representative of such person.

(b) Following notice of a hearing, pursuant to § 1361.3, and prior to the conclusion of a producer referendum, or the final decision of the Commission, whichever is later, Compact Commission members shall not discuss among themselves the merits of the rulemaking proceeding except as part of the formal meeting of the Commission convened for this purpose under § 1361.8.

(c) A Compact Commission member or Commission staff person who receives a written or oral communication prohibited by this section shall disclose the substance of such communication on the record. As necessary and appropriate, the Commission may act accordingly to nullify the effect of the prohibited communication.

(d) This section shall not be construed to apply to requests for status reports or requests on other procedural matters.

PART 1371—PRODUCER REFERENDUM

Sec.
1371.1 Definitions.
1371.2 Purpose.
1371.3 Referendum procedure.
1371.4 Referendum agent.
1371.5 Confidentiality of ballots.
1371.6 Publication of referendum results.
1371.7 Ballots.
1371.8 Qualified cooperative block vote.

Authority: 7 U.S.C. 7256.

§ 1371.1 Definitions.

As used in this part, and in addition to the terms defined herein, the terms defined in Article II, section 2 of the Compact and in 7 CFR part 1301 shall apply with equal force and effect.

Approved by producers means that at least two-thirds of the eligible producers who cast a vote approve the proposed order or amendment.

Cooperative block vote means a vote of approval or disapproval of a proposed order or amendment, cast in a producer referendum, by a qualified cooperative on behalf of its members or stockholders who are eligible producers.

Eligible producer means a producer who, during the representative period determined by the Commission, has been engaged in the production of milk, the price of which would be regulated under the proposed order or amendment.

Producer referendum means the balloting process by which the Commission determines whether a proposed order or amendment is approved by eligible producers.

Qualified cooperative means a cooperative association of producers, qualified under the provisions of the Act of Congress of February 18, 1922, as amended, known as the Capper-Volstead Act, bona fide engaged in marketing milk, or in rendering services for or advancing the interests of producers of milk, but shall not include any cooperative which has been formed to act as a common marketing agency for both cooperatives and individual producers.

Representative period means that period of time designated by the Commission for the purpose of determining who is a producer eligible to participate in a producer referendum.

§ 1371.2 Purpose.

Prior to issuing, or amending, any regulation establishing a Compact over-order price regulation, including any provision with respect to milk supply, the Compact Commission shall conduct a producer referendum for the purpose of ascertaining whether the issuance or amendment of such regulation is approved by producers.

§ 1371.3 Referendum procedure.

The Commission shall certify the referendum procedure at the time it approves a final regulation. The referendum procedure shall include:

(a) A designated representative period for determining eligible producers;

(b) The date by which the ballots will be distributed to eligible producers and qualified cooperatives;

(c) The date by which all qualified cooperatives must mail notices to eligible producer members as required by § 1371.9(b) and (c);

(d) The date by which all ballots must be received at the Commission office;

(e) A designated referendum agent; and

(f) Any other procedures necessary for the conduct of the particular producer referendum.

§ 1371.4 Referendum agent.

The designated referendum agent shall:

(a) Verify all ballots, cast individually or by block vote, with respect to timeliness, producer eligibility, cooperative identification, authenticity and other steps taken to avoid duplication of ballots.

(b) Mark ballots determined to be invalid ''disqualified'' with a notation of the reason for disqualification. Disqualified ballots shall not be considered in determining approval or disapproval of the regulation.

(c) Compute and certify the following:

(1) The total number of ballots cast;

(2) The total number of ballots disqualified;

(3) The total number of verified ballots cast in favor of the regulation or amendment;

(4) The total number of verified ballots cast in opposition to the regulation or amendment;

(5) Whether two-thirds of all verified ballots were cast in the affirmative.

(d) Report to the Executive Director of the Compact Commission the certified computations and results of the referendum under section (c); and

(e) At the completion of his or her work, seal all ballots, including the disqualified ballots, and submit a final report to the Executive Director stating all actions taken in connection with the referendum. The final report shall include all ballots cast and all other information furnished to or compiled by the Referendum Agent.

§ 1371.5 Confidentiality of ballots.

The ballots cast, the identity of any person or cooperative, or the manner in which any person or cooperative voted, and all information furnished to or compiled by the Referendum Agent shall be regarded as confidential.

§ 1371.6 Publication of referendum results.

The Executive Director shall publish the certified results of the referendum in the **Federal Register**.

§ 1371.7 Ballots.

(a) The Compact Commission shall prepare and ensure the prompt distribution of a ballot to all eligible producers consistent with the dates prescribed in the referendum procedure under § 1361.3.

(b) The ballot shall describe the terms and conditions of the referendum and be accompanied by an official copy of the proposed regulation or amendment. The ballot shall provide notice that a producer may register his or her approval or disapproval with the Compact Commission either directly or through his or her cooperative. The ballot shall indicate that any qualified cooperative eligible to block vote must provide written notice to each eligible producer as to whether and how it intends to cast its vote. The notice shall also identify the final due date for the Commission's receipt of the completed ballot.

§ 1371.8 Qualified cooperative block vote.

(a) Qualified cooperatives may block vote on behalf of their eligible producer members in accordance with section 13(c) of the Compact. The Compact Commission shall ensure that each qualified cooperative is notified of its right to cast a block vote on behalf of eligible members in each producer referendum by the date prescribed pursuant to § 1371.3(b).

(b) A qualified cooperative shall, before casting its ballot in any referendum, give prior written notice to each of its eligible producers of how it intends to cast its vote. The notice and ballot shall be on the form provided by the Commission and shall be mailed by the cooperative to eligible producer members as prescribed in the producer referendum procedure pursuant to § 1371.3. The notice shall make express reference to the ballot documentation provided by the Compact Commission, and may include a copy of such documentation.

(c) Any qualified cooperative that does not intend to block vote shall give written notice to each of its members on a form approved by the Compact Commission. The notice shall be mailed by the cooperative to eligible producer members as prescribed in the producer referendum procedure pursuant to § 1371.3. The notice shall make express reference to the ballot documentation provided by the Compact Commission, and may include a copy of such documentation.

(d) Each qualified cooperative shall certify to the Compact Commission, on the form provided by the Commission, that it is qualified to block vote and that it has provided proper and timely notice of either the ballot cast or of the decision that the cooperative is not casting a block vote. The cooperative shall mail a copy of the notice to the Commission no later than two days after mailing of notice to members. Cooperatives that are voting shall also submit the original executed ballot in a separate envelope marked ''Referendum Ballot,'' or as otherwise provided in the referendum procedure pursuant to § 1371.3.

(e) If the ballot submitted to the Commission by a qualified cooperative differs in any significant way from the notice of its ballot sent to member producers, then the Commission may take appropriate remedial action.

(f) A producer who is a member of a cooperative that has provided notice of its intent to cast a block vote to approve or not to approve a proposed order or not to cast a block vote and who by ballot expresses his approval or disapproval of the proposed order, shall notify the Compact Commission as to the name of the cooperative of which he or she is a member, and the Commission shall remove such producer's name from the list certified by such cooperative with its corporate vote. If the producer lists the name of a cooperative that is different from the cooperative identified by the ballot number, as determined by the representative period for the referendum, the latter will control.

Dated: July 8, 1998.

Kenneth M. Becker,

Executive Director.

[FR Doc. 98–18672 Filed 7–13–98; 8:45 am]

BILLING CODE 1650–01–P

FEDERAL DEPOSIT INSURANCE CORPORATION

12 CFR Part 360

RIN 3064–AB92

Resolution and Receivership Rules

AGENCY: Federal Deposit Insurance Corporation.

ACTION: Final rule.

SUMMARY: As part of the FDIC's systematic review of its regulations and written policies under section 303(a) of the Riegle Community Development and Regulatory Improvement Act of 1994 (CDRIA) the FDIC is making technical amendments to its receivership regulations. The amendments address least-cost resolutions and the security interests of Federal Home Loan Banks in FDIC-administered receiverships.

EFFECTIVE DATE: August 13, 1998.

FOR FURTHER INFORMATION CONTACT: Mitchell Glassman, Deputy Director, Division of Resolutions and Receiverships, (202) 898–6525; Rodney D. Ray, Counsel, Legal Division, (202) 898–3556; Catherine A. Ribnick, Counsel, Legal Division, (202) 736–0117, Federal Deposit Insurance Corporation, 550 17th Street, N.W., Washington, D.C. 20429.

SUPPLEMENTARY INFORMATION:

I. Sections 360.1 and 360.2

Section 13(c)(4)(E)(i) of the Federal Deposit Insurance Act (FDI Act) (12 U.S.C. 1823(c)(4)(E)(i)) generally prohibits the FDIC from taking any action after August 31, 1994 with respect to a depository institution which would, directly or indirectly, have the effect of increasing losses to any deposit insurance fund by protecting the institution's uninsured depositors or other creditors. Section 360.1 was promulgated in compliance with a statutory mandate, contained in section 13(c)(4)(E)(ii) of the FDI Act (12 U.S.C. 1823(c)(4)(E)(ii)), that the FDIC issue regulations implementing clause (i) not later than January 1, 1994.

Section 360.2 was originally promulgated by the Federal Home Loan Bank Board (FHLBB) to, among other reasons, set forth expressly the rights of Federal Home Loan Banks (Bank or Banks) regarding collateral securing Bank advances in liquidating receivership estates. The regulation was subsequently transferred to the FDIC, pursuant to section 402(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) Pub. L. 101–73, 103 Stat. 183, 357–58 (1989), when the FHLBB and FSLIC were abolished and has remained substantively unchanged since its transfer to the FDIC.

II. The Proposed Rule

As part of the FDIC's review of its regulations pursuant to section 303(a) of CDRIA, the FDIC previously issued a notice of proposed rulemaking regarding §§ 360.1 and 360.2, 62 FR 7725 (February 20, 1997). The proposal consisted of two parts. The first part proposed a revision to § 360.1, a rule promulgated pursuant to a statutory directive regarding least-cost resolutions. The second part proposed removing § 360.2, addressing secured claims of Banks in FDIC-administered receiverships. The proposed action regarding § 360.2 was premised upon the limited applicability of the regulation to the security interests of a discrete class of creditors, *i.e.*, the Banks, in liquidating receivership estates; the statutory protections enjoyed by the Banks under section 306(d) of the Competitive Equality Banking Act of 1987 (CEBA), Pub. L. 100–86, 101 Stat. 552, 601–02 (12 U.S.C. 1430(e), footnote 1) and other subsequently enacted federal statutes; the significant decline in the number of institutions being placed in liquidating receiverships in recent years; and the FDIC's belief that matters addressed therein could be addressed, in the future, on a case by case basis. The FDIC provided a comment period of 60 days from publication of the notice of proposed rulemaking in the **Federal Register**.

Twelve comments were received within the comment period, all of which addressed the proposed removal of § 360.2. After the receipt of the comments, additional information was requested and received by the FDIC from the commenters.

III. Comments on the Proposed Rule

The FDIC received no comments on the proposed amendment to § 360.1, but all of the commenters favored retention of § 360.2. Although the commenters' reasons for retaining the regulation varied, they expressed support for the clarity and certainty the regulation provides in addressing the security interests of Banks when an insured depository institution fails and is placed in receivership. They also expressed concerns that additional measures that the Banks may take to protect their security interests against the risk of a borrower being placed in receivership, absent the regulation, may affect the cost or availability of certain types of credit to borrowers from the Banks.

IV. Retention of § 360.2 and Amendments to §§ 360.1 and 360.2

Based upon a review of the comments received, the Board of Directors has decided to retain § 360.2. This decision is based upon: (1) The concerns over removal of the regulation that have been expressed by the commenters; (2) the fact that the FDIC has, in the past, normally satisfied obligations owed to the Banks shortly after the failure of an institution to obtain a release of the failed institution's collateral; (3) the regulation is currently in place, therefore, retaining it maintains the existing status quo; and (4) there may be operational benefits to retaining the regulation.

As indicated in the FDIC's notice of proposed rulemaking, § 360.1 is being amended to correct an erroneous statutory reference in paragraph (b) from ''12 U.S.C. 13(c)(4)(A)'' to ''12 U.S.C. 1823(c)(4)(A)''. In addition, § 360.2 is being amended to add ''the claim is'' to paragraph (e)(1) to achieve parallel construction with paragraph (e)(2). Paragraph (e)(2) also is being amended to correct a typographical error by replacing the word ''by'' with the word ''but'', as well as to revise the reference to section 306(d) of CEBA to replace the Public Laws reference with the appropriate United States Code citation for the paragraph.

Paperwork Reduction Act

No collections of information pursuant to section 3504(h) of the Paperwork Reduction Act (44 U.S.C. 3501 et seq.) are required by this notice. Consequently, no information has been submitted to the Office of Management and Budget for review.

Small Business Regulatory Enforcement Fairness Act

The Office of Management and Budget has determined that the final rule is not a ''major rule'', as defined in the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA) (5 U.S.C. 801 et seq.). SBREFA generally requires an agency to report rules to Congress and the Comptroller General for review. The reporting requirement is imposed when the agency issues a final rule. Accordingly, the FDIC will file the appropriate reports.

Regulatory Flexibility Act

Pursuant to section 605(b) of the Regulatory Flexibility Act (5 U.S.C. 605) the Board of Directors certifies that this rule will not have a significant economic impact on a substantial number of small entities. Although the final action differs from the initial proposal, which was previously

certified by the Board of Directors, because the FDIC is retaining a regulation which it had proposed to remove, the final action merely maintains the existing status quo and makes only non-substantive technical revisions to the existing sections.

List of Subjects in 12 CFR Part 360

Savings associations.

For the reasons set out in the preamble, part 360 of chapter III of title 12 of the Code of Federal Regulations is amended as follows:

PART 360—RESOLUTION AND RECEIVERSHIP RULES

1. The authority citation for part 360 continues to read as follows:

Authority: 12 U.S.C. 1821(d)(11), 1821 (e)(8)(D)(i), 1823(c)(4); Sec. 401(h), Pub. L. 101–73, 103 Stat. 357.

2 Paragraph (b) of § 360.1 is revised to read as follows:

§ 360.1 Least-cost resolution.

* * * * *

(b) Purchase and assumption transactions. Subject to the requirement of section 13(c)(4)(A) of the FDI Act (12 U.S.C. 1823(c)(4)(A)), paragraph (a) of this section shall not be construed as prohibiting the FDIC from allowing any person who acquires any assets or assumes any liabilities of any insured depository institution, for which the FDIC has been appointed conservator or receiver, to acquire uninsured deposit liabilities of such institution as long as the applicable insurance fund does not incur any loss with respect to such uninsured deposit liabilities in an amount greater than the loss which would have been incurred with respect to such liabilities if the institution had been liquidated.

3. Paragraph (e) of § 360.2 is revised to read as follows:

§ 360.2 Federal Home Loan banks as secured creditors.

* * * * *

(e) The receiver for a borrower from a Federal Home Loan Bank shall allow a claim for a prepayment fee by the Bank if, and only if:

(1) The claim is made pursuant to a written contract that provides for a prepayment fee, provided, however, that such prepayment fee allowed by the receiver shall not exceed the present value of the loss attributable to the difference between the contract rate of the secured borrowing and the reinvestment rate then available to the Bank; and

(2) The indebtedness owed to the Bank by such borrower is secured by sufficient collateral in which a perfected security interest in favor of the Bank exists or as to which the Bank's security interest is entitled to priority under section 306(d) of the Competitive Equality Banking Act of 1987 (CEBA) (12 U.S.C. 1430(e), footnote (1), or otherwise so that the aggregate of the outstanding principal on the advances secured by such collateral, the accrued but unpaid interest thereon and the prepayment fee applicable to such advances can be paid in full from the amounts realized from such collateral. For purposes of this paragraph (e)(2), the adequacy of such collateral shall be determined as of the date such prepayment fees shall be due and payable under the terms of the written contract providing therefor.

By order of the Board of Directors.

Dated at Washington, DC, this 7th day of July 1998.

Federal Deposit Insurance Corporation.

James LaPierre,

Deputy Executive Secretary.

[FR Doc. 98–18620 Filed 7–13–98; 8:45 am]

BILLING CODE 6714–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–ANE–17–AD; Amendment 39–10654; AD 98–15–03]

RIN 2120–AA64

Airworthiness Directives; General Electric Company GE90 Series Turbofan Engines

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; request for comments.

SUMMARY: This amendment adopts a new airworthiness directive (AD) that is applicable to General Electric Company (GE) GE90 series turbofan engines. This action requires initial and repetitive eddy current inspections (ECI) for cracks in the high pressure compressor (HPC) stage 2–6 spool, and, if necessary, replacement with serviceable parts. This amendment is prompted by reports of cracks in the stage 3–4 and stage 4–5 interstage seal teeth and spacer arms. The actions specified in this AD are intended to identify cracks in the HPC stage 2–6 spool, which could result in an uncontained engine failure and damage to the aircraft.

DATES: Effective July 29, 1998.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the **Federal Register** as of July 29, 1998.

Comments for inclusion in the Rules Docket must be received on or before September 14, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), New England Region, Office of the Regional Counsel, Attention: Rules Docket No. 98–ANE–17–AD, 12 New England Executive Park, Burlington, MA 01803–5299. Comments may also be sent via the Internet using the following address: ''9-ad-engineprop@faa.dot.gov''. Comments sent via the Internet must contain the docket number in the subject line.

The service information referenced in this AD may be obtained from General Electric Technical Services, Attention: Leader for distribution/ microfilm, 10525 Chester Road, Cincinnati, OH 45215; telephone (513) 672–8400 Ext. 130, fax (513) 672–8422. This information may be examined at the FAA, New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA; or at the Office of the **Federal Register**, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Ian Dargin, Aerospace Engineer, Engine Certification Office, FAA, Engine and Propeller Directorate, 12 New England Executive Park, Burlington, MA 01803–5299; telephone (781) 238–7178, fax (781) 238–7199.

SUPPLEMENTARY INFORMATION: The Federal Aviation Administration (FAA) has received reports of cracked high pressure compressor (HPC) stage 2–6 spools installed on General Electric Company (GE) GE90–76B/ –77B/ –85B/ –90B/ –92B series turbofan engines. There have been 10 HPC spools found with cracks. The investigation into the cause of the cracking is ongoing; however, the FAA has determined that the HPC stage 2–6 spool may develop cracks in the stage 3–4 and stage 4–5 interstage seal teeth that could propagate into the stage 3–4 and stage 4–5 spacer arms, aft of the seal teeth. This AD requires inspection of the spacer arm aft of the seal teeth and also includes an inspection requirement for the spacer arm forward of the seal teeth that provides additional data to support the investigation and mitigates the risk of an HPC stage 2–6 spool failure from a crack propagating into the spacer arm forward of the seal teeth. The FAA has determined the most likely cause of crack initiation is due to areas of heat affected zone in the seal teeth that is the result of excessive heat generated when

the rotating seal teeth rub into the static honeycomb material. This condition, if not corrected, could result in HPC stage 2–6 spool cracking, which could result in an uncontained engine failure and damage to the aircraft.

The FAA has reviewed and approved the technical contents of GE Alert Service Bulletin (ASB) No. 72–A357, Revision 2, dated April 21, 1998, that describes procedures for on-wing eddy current inspection (ECI) for cracks in the HPC stage 2–6 spool spacer arm forward and aft of the stage 3–4 and stage 4–5 interstage seal teeth, and GE Service Bulletin (SB) No. 72–352, Revision 2, dated March 31, 1998, that describes procedures for ECI of stage 3–4 and stage 4–5 interstage seal teeth.

Since an unsafe condition has been identified that is likely to exist or develop on other engines of the same type design, this AD is being issued to identify cracks in the HPC stage 2–6 spool, which could result in an uncontained engine failure and damage to the aircraft. This AD requires:

(1) Initial and repetitive on-wing ECI for cracks in the HPC stage 2–6 spool spacer arms forward and aft of the stage 3–4 and stage 4–5 interstage seal teeth, and, if necessary, replacement with a serviceable engine.

(2) A shop level ECI for cracks in the HPC stage 2–6 spool stage 3–4 and stage 4–5 interstage seal teeth, and, if necessary, replacement with serviceable parts.

Since this investigation is ongoing, further rulemaking may be necessary. The actions are required to be accomplished in accordance with the service documents described previously.

Since a situation exists that requires the immediate adoption of this regulation, it is found that notice and opportunity for prior public comment hereon are impracticable, and that good cause exists for making this amendment effective in less than 30 days.

Comments Invited

Although this action is in the form of a final rule that involves requirements affecting flight safety and, thus, was not preceded by notice and an opportunity for public comment, comments are invited on this rule. Interested persons are invited to comment on this rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified under the caption **ADDRESSES**. All communications received on or before the closing date for comments will be considered, and this rule may be amended in light of the comments received. Factual information that supports the commenter's ideas and suggestions is extremely helpful in evaluating the effectiveness of the AD action and determining whether additional rulemaking action would be needed.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the rule that might suggest a need to modify the rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA-public contact concerned with the substance of this AD will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket Number 98–ANE–17–AD.'' The postcard will be date stamped and returned to the commenter.

The regulations adopted herein 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. Therefore, in accordance with Executive Order 12612, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

The FAA has determined that this regulation is an emergency regulation that must be issued immediately to correct an unsafe condition in aircraft, and is not a ''significant regulatory action'' under Executive Order 12866. It has been determined further that this action involves an emergency regulation under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979). If it is determined that this emergency regulation otherwise would be significant under DOT Regulatory Policies and Procedures, a final regulatory evaluation will be prepared and placed in the Rules Docket. A copy of it, if filed, may be obtained from the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

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

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

98–15–03 General Electric Company: Amendment 39–10654. Docket 98-ANE–17–AD.

Applicability: General Electric Company (GE) GE90–76B/ –77B/ –85B/ –90B/ –92B series turbofan engines, with high pressure compressor (HPC) stage 2–6 spools, Part Numbers 350–005–761–0, 350–005–765–0, 350–005–769–0, 350–005–770–0, or 350–005–771–0, installed. These engines are installed on but not limited to Boeing 777 aircraft.

Note 1: This airworthiness directive (AD) applies to each engine identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For engines that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (d) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously.

To identify cracks in the high pressure compressor (HPC) stage 2–6 spool, which could result in an uncontained engine failure and damage to the aircraft, accomplish the following:

(a) Perform initial and repetitive on-wing eddy current inspections (ECI) for cracks in HPC stage 2–6 spool spacer arms in accordance with GE Alert Service Bulletin (ASB) No. 72–A357, Revision 2, dated April 21, 1998.

(1) Perform inspections of the spacer arm forward and aft of the stage 3–4 and 4–5 seal teeth as follows:

(i) Perform the initial inspection prior to exceeding 500 cycles since new (CSN).

(ii) Thereafter, inspect at intervals not to exceed 250 cycles in service (CIS) since last inspection.

(2) Remove the engine from service if the ECI reveals a spool with a crack indication and replace with a serviceable engine prior to further flight.

(b) Perform initial and repetitive ECI for cracks in the HPC 2–6 spool stage 3–4 and

stage 4–5 interstage seal teeth during each shop visit as defined in paragraph (c) of this AD, and if necessary, replace with serviceable parts prior to returning the engine to revenue service, in accordance with GE Service Bulletin (SB) No. 72–352, Revision 2, dated March 31, 1998.

(c) For the purpose of this AD, an engine shop visit is defined as any time an engine has maintenance performed that involves separation of a major engine flange (such as removal of an LPT module or HPC ''top case'').

(d) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Engine Certification Office. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Engine Certification Office.

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

(e) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the aircraft to a location where the inspection requirements of this AD can be accomplished.

(f) The actions required by this AD shall be done in accordance with the following GE service documents:

Document Number	Pages	Revision	Date
SB No. 72–352 ..... Total pages: 32	1–32	2	March 31, 1998.
ASB No. 72–A357 ..... Total pages: 30	1–30	2	April 21, 1998.

This incorporation by reference was approved by the Director of the **Federal Register** in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from General Electric Technical Services, Attention: Leader for distribution/microfilm, 10525 Chester Road, Cincinnati, OH 45215; telephone (513) 672–8400 Ext. 130, fax (513) 672-8422. Copies may be inspected at the FAA, New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(g) This amendment becomes effective on July 29, 1998.

Issued in Burlington, Massachusetts, on July 6, 1998.

Jay J. Pardee,

Manager, Engine and Propeller Directorate, Aircraft Certification Service.

[FR Doc. 98–18647 Filed 7–10–98; 9:29 a.m.]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–ANE–13–AD; Amendment 39–10653; AD 98–15–02]

RIN 2120–AA64

Airworthiness Directives; Rolls-Royce Limited, Aero Division-Bristol, S.N.E.C.M.A, Olympus 593 Series Turbojet Engines

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; request for comments.

SUMMARY: This amendment adopts a new airworthiness directive (AD) that is applicable to Rolls-Royce Limited, Aero Division-Bristol, S.N.E.C.M.A. Olympus 593 series turbojet engines. This action requires identifying reduced post-rebroaching cyclic life limits for certain rebroached stage 6 high pressure compressor (HPC) disks, inspecting the rebroached disks for cracks, and, if necessary, removing from service cracked disks. This amendment is prompted by reports of the low cyclic lives at which some rebroached stage 6 HPC disks have been found cracked. The actions specified in this AD are intended to prevent rebroached stage 6 HPC disk failure, which could result in an uncontained engine failure and damage to the aircraft.

DATES: Effective July 29, 1998.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of July 29, 1998.

Comments for inclusion in the Rules Docket must be received on or before September 14, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), New England Region, Office of the Regional Counsel, Attention: Rules Docket No. 98–ANE–13–AD, 12 New England Executive Park, Burlington, MA 01803–5299. Comments may also be sent via the Internet using the following address: ''9-ad-engineprop@faa.dot.gov''. Comments sent via the Internet must contain the docket number in the subject line.

The service information referenced in this AD may be obtained from Rolls-Royce, PO Box 3, Filton, Bristol BS12 7QE, England; telephone 01–17–979–1234, fax 01–17–979–7575. This information may be examined at the FAA, New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Jason Yang, Aerospace Engineer, Engine Certification Office, FAA, Engine and Propeller Directorate, 12 New England Executive Park, Burlington, MA 01803–5299; telephone (781) 238–7747, fax (781) 238–7199.

SUPPLEMENTARY INFORMATION: The Civil Aviation Authority (CAA), which is the airworthiness authority for the United Kingdom (UK), recently notified the Federal Aviation Administration (FAA) that an unsafe condition may exist on Rolls-Royce Limited (R–R), Aero Division-Bristol, S.N.E.C.M.A Olympus 593 Mk. 610–14–28 turbojet engines. The CAA advises that they have received reports of cracked, rebroached stage 6 high pressure compressor (HPC) disks. There are currently no affected engines operated on aircraft of U.S. registry. This AD, then, is necessary to require accomplishment of the required actions for engines installed on aircraft currently of foreign registry that may someday be imported into the U.S. or for engines installed on aircraft which currently operate in U.S. airspace. Accordingly, the FAA has determined that notice and prior opportunity for comment are unnecessary and good cause exists for making this amendment effective in less than 30 days. This condition, if not corrected, could result in rebroached stage 6 HPC disk failure, which could result in an uncontained engine failure and damage to the aircraft.

R–R has issued Service Bulletin (SB) No. OL.593–72–9016–416, Revision 1, dated December 5, 1997, that specifies procedures for identifying the new, reduced, cyclic life limits for individual stage 6 HPC disks, and SB No. OL.593–72–8951–364, Revision 5, dated August 31, 1995, that specifies procedures for inspection of rebroached stage 6 HPC disks for cracks. The CAA classified

these SBs as mandatory and issued AD 007–06–96 in order to assure the airworthiness of these engines in the UK.

This engine model is manufactured in the UK and is type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the CAA has kept the FAA informed of the situation described above. The FAA has examined the findings of the CAA, reviewed all available information, and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

Since an unsafe condition has been identified that is likely to exist or develop on other engines of the same type design registered in the United States, this AD requires identifying reduced post-rebroaching cyclic life limits for rebroached stage 6 high pressure compressor (HPC) disks (B509174 to B509181), inspecting the rebroached disks for cracks, and if necessary, removing from service cracked disks. The actions would be required to be accomplished in accordance with the SBs described previously.

Since a situation exists that requires the immediate adoption of this regulation, it is found that notice and opportunity for prior public comment hereon are impracticable, and that good cause exists for making this amendment effective in less than 30 days.

Comments Invited

Although this action is in the form of a final rule that involves requirements affecting flight safety and, thus, was not preceded by notice and an opportunity for public comment, comments are invited on this rule. Interested persons are invited to comment on this rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified under the caption **ADDRESSES**. All communications received on or before the closing date for comments will be considered, and this rule may be amended in light of the comments received. Factual information that supports the commenter's ideas and suggestions is extremely helpful in evaluating the effectiveness of the AD action and determining whether additional rulemaking action would be needed.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the rule that might suggest a need to modify the rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA-public contact concerned with the substance of this AD will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket Number 98–ANE–13–AD.'' The postcard will be date stamped and returned to the commenter.

The regulations adopted herein 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. Therefore, in accordance with Executive Order 12612, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

The FAA has determined that this regulation is an emergency regulation that must be issued immediately to correct an unsafe condition in aircraft, and is not a ''significant regulatory action'' under Executive Order 12866. It has been determined further that this action involves an emergency regulation under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979). If it is determined that this emergency regulation otherwise would be significant under DOT Regulatory Policies and Procedures, a final regulatory evaluation will be prepared and placed in the Rules Docket. A copy of it, if filed, may be obtained from the Rules Docket at the location provided under the caption **ADDRESSES.**

List of Subjects in 14 CFR Part 39

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

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

98–15–02 Rolls-Royce Limited, Aero Division-Bristol, S.N.E.C.M.A.: Amendment 39–10653. Docket 98–ANE–13–AD.

Applicability: Rolls-Royce Limited (R-R), Aero Division-Bristol, S.N.E.C.M.A. Olympus 593 Mk. 610–14–28 turbojet engines, installed on but not limited to British Aerospace/Aerospatiale Concorde series aircraft.

Note 1: This airworthiness directive (AD) applies to each engine identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For engines that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (b) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously.

To prevent rebroached stage 6 high pressure compressor (HPC) disk failure, which could result in an uncontained engine failure and damage to the aircraft, accomplish the following:

(a) Accomplish the following in accordance with R–R Service Bulletin (SB) No. OL.593–72–9016–416, Revision 1, dated December 5, 1997:

(1) Remove from service rebroached HPC stage 6 disks (B509174 to B509181) listed in Table 1 and 5 of the SB prior to exceeding the earliest of the following:

(i) 1,100 cycles in service (CIS) since rebroaching, or

(ii) 2,700 cycles since new (CSN) prior to January 1, 2000, or

(iii) 2,500 CSN after December 31, 1999.

(2) Inspect the HPC stage 6 disks listed in Table 2 and 6 of the SB within the CIS intervals since rebroach as defined in these Tables. Disks with cracks in any blade root slot must be removed from service. Perform the inspection in accordance with R-R SB No. OL.593–72–8951–364, Revision 5, dated August 31, 1995.

(3) Remove from service HPC stage 6 disks listed in Table 2 and 6 of the SB prior to exceeding the maximum post-rebroach cyclic life limits as defined in these Tables, or 2,500 CSN after December 31, 1999, whichever occurs first.

(b) An alternative method of compliance or adjustment of the compliance time that

provides an acceptable level of safety may be used if approved by the Manager, Engine Certification Office. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Engine Certification Office.

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

(c) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the aircraft to a location where the requirements of this AD can be accomplished.

(d) The actions required by this AD shall be performed in accordance with the following R-R SB:

Document Number	Pages	Revision	Date
OL.593–72–9016–416 Total pages: 8	1–8	1	December 5, 1997.
OL.593–72–8951–364 Total pages: 9	1–9	5	August 31, 1995.

This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from Rolls-Royce, PO Box 3, Filton, Bristol BS12 7QE, England; telephone 01–17-979–1234, fax 01–17–979–7575. Copies may be inspected at the FAA, New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(e) This amendment becomes effective on July 29, 1998.

Issued in Burlington, Massachusetts, on July 6, 1998.

Jay J. Pardee,

Manager, Engine and Propeller Directorate, Aircraft Certification Service.

[FR Doc. 98–18648 Filed 7–10–98; 9:32 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 97–ANE–04; Amendment 39–10652; AD 97–25–10 R1]

RIN 2120–AA64

Airworthiness Directives; Pratt & Whitney JT9D Series Turbofan Engines

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; request for comments.

SUMMARY: This amendment revises an existing airworthiness directive (AD), applicable to certain Pratt & Whitney (PW) JT9D series turbofan engines, that currently requires initial and repetitive fluorescent penetrant inspections (FPI) for cracks in cooling air holes of first stage high pressure turbine (HPT) disks, and replacement of cracked disks with serviceable parts. In addition, the current AD requires initial and repetitive FPI for cracks in tie bolt holes of certain other affected second stage HPT disks installed in PW JT9D series turbofan engines. This amendment calls out the second stage HPT hub assembly by part number (P/N) in addition to the hub P/N for clarification of affected parts, and references a service bulletin that does not change any of the requirements in the AD, but better explains the inspection procedures that are referenced in the current AD. This amendment also increases the repetitive inspection interval of first stage HPT disks. This amendment is prompted by the need to clarify the inspection procedures and the parts affected by this AD and by a re-evaluation of the risk analysis, based on new data from service, to establish a new repetitive inspection interval for the first stage HPT disk. The actions specified by this AD are intended to prevent turbine disk failure due to cooling air hole or tie bolt hole cracking, which could result in an uncontained engine failure and damage to the aircraft.

DATES: Effective July 29, 1998.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of July 29, 1998.

Comments for inclusion in the Rules Docket must be received on or before September 14, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), New England Region, Office of the Regional Counsel, Attention: Rules Docket No. 97–ANE–04, 12 New England Executive Park, Burlington, MA 01803-5299. Comments may also be sent via the Internet using the following address: ''9-ad-engineprop@faa.dot.gov''. Comments sent via the Internet must contain the docket number in the subject line.

The service information referenced in this AD may be obtained from Pratt & Whitney, 400 Main St., East Hartford, CT 06108; telephone (860) 565–6600, fax (860) 565–4503. This information may be examined at the FAA, New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Tara Goodman, Aerospace Engineer, Engine Certification Office, FAA, Engine and Propeller Directorate, 12 New England Executive Park, Burlington, MA 01803–5299; telephone (781) 238–7130, fax (781) 238–7199.

SUPPLEMENTARY INFORMATION: On November 28, 1997, the Federal Aviation Administration (FAA) issued AD 97–25–10, Amendment 39–10234 (62 FR 64514, December 8, 1997), applicable to certain Pratt & Whitney (PW) JT9D series turbofan engines, to require initial and repetitive fluorescent penetrant inspections (FPI) for cracks in cooling air holes of affected first stage high pressure turbine (HPT) disks, and, if necessary, replacement with serviceable parts. In addition, that airworthiness directive (AD) requires initial and repetitive FPI for cracks in tie bolt holes of all affected second stage HPT disks. Finally, that action requires reporting findings of cracked turbine disks. That action was prompted by reports of a cracked cooling air hole on one first stage HPT disk, and a cracked tie bolt hole on one second stage HPT disk. That condition, if not corrected, could result in turbine disk failure due to cooling air hole or tie bolt hole cracking, which could result in an uncontained engine failure and damage to the aircraft.

Since the issuance of that AD, the FAA received questions regarding clarifying the inspection procedures for second stage HPT disk tie bolt holes. In addition, one commenter requested that the 48 hour time requirement to notify the FAA that a cracked disk is found be changed to 10 working days. The commenter explained that 48 hours is not practical if a cracked disk is found over a holiday weekend. The FAA concurs, and has changed this revision to the final rule AD to include a 10 working day reporting requirement.

Also, based on new data and subsequent re-evaluation of the risk analysis since publication of the existing AD, the FAA has determined that the repetitive inspection interval for first stage HPT disks may be extended. This revision to the final rule AD includes the extended inspection interval.

The FAA has reviewed and approved the technical contents of PW Service Bulletin (SB) No. JT9D–7R4–72–536, Revision 2, dated April 30, 1998, that describes procedures for FPI for cracks in tie bolt holes of all affected second stage HPT disks.

Since an unsafe condition has been identified that is likely to exist or develop on other engines of this same type design, this AD revises AD 97–25–10 to call out the second stage HPT hub assembly by part number (P/N) in addition to the hub P/N for clarification of affected parts, and reference a SB that does not change any of the requirements in the AD, but better explains the inspection procedures that are referenced in the current AD. The actions are required to be accomplished in accordance with PW SB No. JT9D–7R4–72–536, Revision 2, dated April 30, 1998.

Since the issuance of that AD, the FAA received a request to increase the inspection interval for first stage HPT disks. The FAA has determined, by review of risk analysis, that extending the inspection interval provides an adequate margin of safety.

Since a situation exists that requires the immediate adoption of this regulation, it is found that notice and opportunity for prior public comment hereon are impracticable, and that good cause exists for making this amendment effective in less than 30 days.

Comments Invited

Although this action is in the form of a final rule that involves requirements affecting flight safety and, thus, was not preceded by notice and an opportunity for public comment, comments are invited on this rule. Interested persons are invited to comment on this rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified under the caption **ADDRESSES**. All communications received on or before the closing date for comments will be considered, and this rule may be amended in light of the comments received. Factual information that supports the commenter's ideas and suggestions is extremely helpful in evaluating the effectiveness of the AD action and determining whether additional rulemaking action would be needed.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the rule that might suggest a need to modify the rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA-public contact concerned with the substance of this AD will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket Number 97–NE–04.'' The postcard will be date stamped and returned to the commenter.

The regulations adopted herein 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. Therefore, in accordance with Executive Order 12612, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

The FAA has determined that this regulation is an emergency regulation that must be issued immediately to correct an unsafe condition in aircraft, and is not a ''significant regulatory action'' under Executive Order 12866. It has been determined further that this action involves an emergency regulation under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979). If it is determined that this emergency regulation otherwise would be significant under DOT Regulatory Policies and Procedures, a final regulatory evaluation will be prepared and placed in the Rules Docket. A copy of it, if filed, may be obtained from the Rules Docket at the location provided under the caption **ADDRESSES.**

List of Subjects in 14 CFR Part 39

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

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by removing Amendment 39–10234 (62 FR 64514, December 8, 1997) and by adding a new airworthiness directive, Amendment 39–10652, to read as follows:

97–25–10 R1 Pratt & Whitney: Amendment 39–10652. Docket 97–ANE–04. Revises AD 97–25–10, Amendment 39–10234.

Applicability: Pratt & Whitney (PW) JT9D–59A, –70A, –7Q, –7Q3, –7R4D, –7R4D1, –7R4E, and –7R4E1 (AI–500) series turbofan engines, installed on but not limited to Airbus Industrie A300 and A310, Boeing 747 and 767, and McDonnell Douglas DC–10 series aircraft.

Note 1: This airworthiness directive (AD) applies to each engine identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For engines that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (d) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously.

To prevent turbine disk failure due to cooling hole or tie bolt hole cracking, which could result in an uncontained engine failure and damage to the aircraft, accomplish the following:

(a) For first stage high pressure turbine (HPT) disks, part numbers (P/Ns) 768001, 792701, 812901, 819801, 840501, 840401, 840701, 840601, and 840301, installed in PW JT9D–59A, –70A, –7Q, and –7Q3 engines, accomplish the following:

(1) Disks that have not been fluorescent penetrant inspected or eddy current inspected since introduction into service, perform an initial fluorescent penetrant inspection (FPI) for cracks in all 40 cooling air holes in accordance with PW Turbojet Engine Standard Practices Manual, P/N 585005, Chapter/Section 70–33, Special Process Operation Procedure (SPOP) 84, as follows:

(i) Disks with 3,500 cycles since new (CSN) or more on the effective date of this AD, inspect prior to accumulating 5,000 CSN, or within 1,500 cycles in service (CIS) after the effective date of this AD, whichever occurs later.

(ii) Disks with less than 3,500 CSN on the effective date of this AD, inspect prior to accumulating 5,000 CSN.

(2) Disks that have been reoperated in accordance with PW Service Bulletin (SB) No. 5815, Revision 2, dated July 31, 1992, or prior revisions, that have not been fluorescent penetrant inspected or eddy current inspected since reoperation, perform an initial FPI for cracks in all 40 cooling air holes in Chapter/Section 70–33, SPOP 84, as follows:

(i) Disks with 3,500 CIS or more since reoperation on the effective date of this AD, inspect prior to accumulating 5,000 CIS since reoperation, or within 1,500 CIS after the effective date of this AD, whichever occurs later.

(ii) Disks with less than 3,500 CIS since reoperation on the effective date of this AD, inspect prior to accumulating 5,000 CIS since reoperation.

(3) Disks that have been fluorescent penetrant inspected, or eddy current inspected, since introduction into service or since reoperation, in accordance with PW SB No. 5744, Revision 3, dated March 31, 1993, or prior revisions, or PW JT9D–7Q, –7Q3 Engine Manual, P/N 777210, 72–51–00, Inspection –03, or PW JT9D–59A, –70A Engine Manual, P/N 754459, 72–51–00, Heavy Maintenance Check –03, perform an FPI for cracks in all 40 cooling air holes, prior to accumulating 5,000 CIS since last FPI or ECI, or within 250 CIS after the effective date of this AD, whichever occurs later, in accordance with PW Turbojet Engine Standard Practices Manual, P/N 585005, Chapter/Section 70–33, SPOP 84.

(4) Thereafter, perform FPI for cracks in all 40 cooling air holes at intervals not to exceed 5,000 CIS since last FPI, in accordance with PW Turbojet Engine Standard Practices Manual, P/N 585005, Chapter/Section 70–33, SPOP 84.

(5) Prior to further flight, remove from service cracked disks, and replace with serviceable parts.

(b) For second stage HPT disks, P/N 5001802–01, or hub assembly, P/N 808242, installed in PW JT9D–7R4D, –7R4D1, –7R4E, and –7R4E1 (AI–500) engines, accomplish the following:

(1) Disks that have not been fluorescent penetrant inspected since introduction into service, perform an initial FPI for cracks in all 30 tie bolt holes in accordance with PW SB No. JT9D–7R4–72–536, Revision 2, dated April 30, 1998, as follows:

(i) Disks with 6,000 CSN or more on the effective date of this AD, inspect within 2,000 CIS after the effective date of this AD.

(ii) Disks with less than 6,000 CSN on the effective date of this AD, inspect prior to accumulating 8,000 CSN.

(2) Disks that have been fluorescent penetrant inspected since introduction into service, perform an FPI for cracks in all 30 tie bolt holes, prior to accumulating 8,000 CIS since last FPI, or within 250 CIS after the effective date of this AD, whichever occurs later, in accordance with PW SB No. JT9D–7R4–72–536, Revision 2, dated April 30, 1998.

(3) Thereafter, perform FPI for cracks in all 30 tie bolt holes at intervals not to exceed 8,000 CIS since last FPI, in accordance with PW SB No. JT9D–7R4–72–536, Revision 2, dated April 30, 1998.

(4) Prior to further flight, remove from service cracked disks, and replace with serviceable parts.

(c) Report findings of cracked turbine disks within 10 working days after inspection to Tara Goodman, Aerospace Engineer, Engine Certification Office, FAA, Engine and Propeller Directorate, 12 New England Executive Park, Burlington, MA 01803–5299; telephone (781) 238–7130, fax (781) 238–7199, Internet: ''Tara.Goodman@faa.dot.gov''. Reporting requirements have been approved by the Office of Management and Budget and assigned OMB control number 2120–0056.

(d) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Engine Certification Office. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Engine Certification Office.

Note 2: Information concerning the existence of approved alternative method of compliance with this AD, if any, may be obtained from the Engine Certification Office.

(e) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the aircraft to a location where the requirements of this AD can be accomplished.

(f) The inspections shall be done in accordance with the following PW SB:

Document Number	Pages	Revision	Date
JT9D–7R4–72–536	1	2	April 30, 1998.
	2	Original	February 28, 1997.
	3, 4	2	April 30, 1998.
	5, 6	Original	February 28, 1997.
	7	2	April 30, 1998.
	8–10	1	October 13, 1997.
Total pages: 10.			

This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from Pratt & Whitney, 400 Main St., East Hartford, CT 06108; telephone (860) 565–6600, fax (860) 565–4503. Copies may be inspected at the FAA, New England Region, Office of the Regional Counsel, 12 New England Executive Park, Burlington, MA; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(g) This amendment becomes effective on July 29, 1998.

Issued in Burlington, Massachusetts, on July 6, 1998.

Jay J. Pardee,

Manager, Engine and Propeller Directorate, Aircraft Certification Service.

[FR Doc. 98–18649 Filed 7–10–98; 9:33 am]

BILLING CODE 4910–13–P

DEPARTMENT OF COMMERCE

Bureau of Export Administration

15 CFR Parts 740, 746, and 774

[Docket No. 980522136–8136–01]

RIN 0694–AB69

Exports to the Federal Republic of Yugoslavia (Serbia and Montenegro); Imposition of Foreign Policy Controls

AGENCY: Bureau of Export Administration, Commerce.

ACTION: Final rule.

SUMMARY: Reacting to the use of excessive force by Serbian police forces against civilians in Kosovo, as well as acts of violence by the Kosovar Albanian extremists and fulfilling United States obligations to implement an international arms embargo mandated by the United Nations Security Council, the United States has banned the sale and supply of arms and related matériel of all types to the Federal Republic of Yugoslavia (Serbia and Montenegro). To supplement the State Department controls on items on the U.S. Munitions List, the Bureau of Export Administration (BXA) is designating certain items on the Commerce Control List (CCL) that are subject to the arms embargo and establishing a policy of denial to the Federal Republic of Yugoslavia (Serbia and Montenegro) on such items. No embargoed items may be exported to the Federal Republic of Yugoslavia (Serbia and Montenegro) under any License Exception, including shipments of limited value (LVS).

In addition, this rule makes certain editorial revisions to the Export

Administration Regulations relating to embargoes and other special controls.

EFFECTIVE DATE: This rule is effective July 14, 1998.

FOR FURTHER INFORMATION CONTACT: Patricia Muldonian, Regulatory Policy Division, Bureau of Export Administration, Telephone: (202) 482–2440.

SUPPLEMENTARY INFORMATION:

Background

In Resolution 1160 of March 31, 1998, the United Nations Security Council (UNSC) directs all member states to prohibit the sale or supply to the Federal Republic of Yugoslavia, including Kosovo, by their nationals or from their territories or using their flag vessels and aircraft, of arms and related matériel of all types, such as weapons and ammunition, military vehicles and equipment, and spare parts for the aforementioned and to prevent arming and training for terrorist activities there. Therefore, consistent with the UNSC Resolution 1160, the Bureau of Export Administration is imposing new license requirements and a policy of denial on arms-related items and certain other items on the Commerce Control List that could be used for terrorist activities or to repress the civilian population. These items include shotguns, ammunition, military vehicles, equipment for production of military explosives, bulletproof vests, night vision equipment, crime and crowd control equipment, and items that may be used to arm and train individuals for terrorist activities. Many of these items are already subject to license application requirements under the Export Administration Regulations for export to the Federal Republic of Yugoslavia (Serbia and Montenegro). However, this action imposes export license requirements on additional items, such as water cannons.

Executive Order 12918 of May 26, 1994 delegates authority, *inter alia*, under section 5 of the United Nations Participation Act, 22 U.S.C. 287c, to take such actions as may be necessary to carry out this arms embargo against the Federal Republic of Yugoslavia (Serbia and Montenegro) to the Secretary of Commerce and the Secretary of State, for the types of arms and related matériel that come under their respective jurisdictions. To carry out this delegation to the Secretary of Commerce, the Bureau of Export Administration (BXA) sets forth the policies in § 746.9 of the EAR and designates certain items on the Commerce Control List (CCL) that are subject to the arms embargo and a policy of denial to the Federal Republic of Yugoslavia (Serbia and Montenegro), effective July 14, 1998. The Department of State has maintained a denial policy against issuing licenses or other authorizations for defense articles and services to the Federal Republic of Yugoslavia (Serbia and Montenegro) since 1991. This action is taken consistent with the provisions of the EAA and after consultation with the Secretary of State. BXA submitted a foreign policy report to the Congress indicating the imposition of new foreign policy controls on June 30, 1998.

Although the Export Administration Act (EAA) expired on August 20, 1994, the President invoked the International Emergency Economic Powers Act and continued in effect the EAR, and to the extent permitted by law, the provisions of the EAA in Executive Order 12924 of August 19, 1994, as extended by the President's notices of August 15, 1995 (60 FR 42767), August 14, 1996 (61 FR 42527) and August 13, 1997 (62 FR 43629).

Rulemaking Requirements

1. This final rule has been determined to be significant for purposes of E.O. 12866.

2. This rule involves a collection of information subject to the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*). These collections have been approved by the Office of Management and Budget under control number 0694–0088. Not withstanding any other provision of law, no person is required to respond nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number.

3. This rule does not contain policies with Federalism implications sufficient to warrant preparation of a Federalism assessment under Executive Order 12612.

4. The provisions of the Administrative Procedure Act (5 U.S.C. 553) requiring notice of proposed rulemaking, the opportunity for public participation, and a delay in effective date, are inapplicable because this regulation involves a military and foreign affairs function of the United States (Sec. 5 U.S.C. 553(a)(1)). Further, no other law requires that a notice of proposed rulemaking and an opportunity for public comment be given for this final rule. Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this rule under 5 U.S.C. 553 or by any other law, the analytical requirements of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) are not applicable.

Therefore, this regulation is issued in final form. Although there is no formal comment period, public comments on this regulation are welcome on a continuing basis. Comments should be submitted to Patricia Muldonian, Regulatory Policy Division, Bureau of Export Administration, Department of Commerce, P.O. Box 273, Washington, DC 20044.

List of Subjects

15 CFR Part 740

Administrative practice and procedure, Exports, Foreign trade, Reporting and recordkeeping requirements.

15 CFR Part 746

Embargoes, Exports, Foreign trade, Reporting and recordkeeping requirements.

15 CFR Part 774

Exports, Foreign trade, Reporting and recordkeeping requirements.

Accordingly, parts 740, 746, and 774 of the Export Administration Regulations (15 CFR parts 730–799) are amended as follows:

1. The authority citation for part 740 is revised to read as follows:

Authority: 50 U.S.C. app. 2401 *et seq.*; 50 U.S.C. 1701 *et seq.*; E.O. 12924, 3 CFR, 1994 Comp., p. 917; E.O. 13020, 3 CFR, 1996 Comp. p. 219; E.O. 13026, 3 CFR, 1996 Comp., p. 228; Notice of August 13, 1997 (62 FR 43629, August 15, 1997).

2. The authority citation for part 746 is revised to read as follows:

Authority: 50 U.S.C. app. 2401 *et seq.*; 50 U.S.C. 1701 *et seq.*; 22 U.S.C. 287c, 6004; E.O. 12918, 59 FR 28205, 3 CFR, 1994 Comp., p. 899; E.O. 12924, 3 CFR, 1994 Comp., p. 917; Notice of August 13, 1997 (62 FR 43629, August 15, 1997).

3. The authority citation for part 774 is revised to read as follows:

Authority: 50 U.S.C. app. 2401 *et seq.*; 50 U.S.C. 1701 *et seq.*; 10 U.S.C. 7420, 7430(e); 18 U.S.C. 2510 *et seq.*; 22 U.S.C. 287c, 3201 *et seq.*, 6004; 30 U.S.C. 185(u); 42 U.S.C. 2139a, 6212; 43 U.S.C. 1354; 46 U.S.C. app. 466c; 50 U.S.C. app. 5; Sec. 201, Pub. L. 104–58, 109 Stat. 557 (30 U.S.C. 185(s)); E.O. 12924, 3 CFR, 1994 Comp., p. 917; E.O. 13020, 3 CFR, 1996 Comp. p. 219; E.O. 13026, 3 CFR, 1996 Comp., p. 228; Notice of August 13, 1997 (62 FR 43629, August 15, 1997).

PART 740—[AMENDED]

4. Supplement No. 1 to part 740 is amended by revising Country Group E, to read as follows:

Supplement No. 1 to Part 740

* * * * *

Country Group E

Country	[E:1] UN embargo	[E–2] unilateral embargo
Angola	X	
Cuba		X
Iraq	X	
Korea, North		X
Libya	X	X
Rwanda	X	
Serbia & Montenegro	X	

PART 746—[AMENDED]

5. Section 746.8 is amended by revising paragraph (b)(1)(ii) to read as follows:

§ 746.8 Rwanda.

* * * * *

(b) * * * (1) * * *

(ii) Items described by ECCNs ending in ''018''; and 0A982, 0A984, 0A985, 0A986, 0A988, 0B986, 0E984, 1A005, 5A980, 6A002.a.1, a.2, a.3 and c, 6A003.b.3 and b.4, 6E001, 6E002, and 9A991.a.

* * * * *

6. A new section 746.9 is added to read as follows:

§ 746.9 The Federal Republic of Yugoslavia (Serbia and Montenegro).

Under Resolution 1160 of March 31, 1998, the United Nations Security Council (UNSC) directs all member states to prevent the sale or supply to the Federal Republic of Yugoslavia, including Kosovo, by their nationals or from their territories or using their flag vessels and aircraft, of arms and related matériel of all types, such as weapons and ammunition, military vehicles and equipment and spare parts for the aforementioned, and to prevent the arming and training for terrorist activities there. Executive Order 12918 of May 26, 1994 (3 CFR, 1994 Comp., p. 899) authorizes the Secretary of State and the Secretary of Commerce, under section 5 of the United Nations Participation Act and other authorities available to the respective Secretaries, to take all actions necessary to implement any arms embargo mandated by resolution of the United Nations Security Council.

(a) *License requirements.* Under Executive Order 12918 of May 26, 1994, and in conformity with United Nations Security Council (UNSC) Resolution 1160 of March 31, 1998, an embargo applies to the sale or supply to the Federal Republic of Yugoslavia, including Kosovo, of arms and related matériel of all types and regardless of origin, such as weapons and ammunition, military vehicles and equipment, and spare parts for such items. You will therefore need a license for the sale, supply or export to the Federal Republic of Yugoslavia (Serbia and Montenegro) from the United States of embargoed items, as listed in paragraphs (a)(1) (i) and (ii) of this section. You will also need a license for the sale, supply, export or reexport to the Federal Republic of Yugoslavia (Serbia and Montenegro) of such items by any United States person in any foreign country or other location. (Reexport controls imposed by this embargo apply only to reexports by U.S. persons. Reexport controls on U.S.-origin items to the Federal Republic of Yugoslavia (Serbia and Montenegro) set forth in other parts of the EAR remain in effect.) You will also need a license for the use of any U.S.-registered aircraft or vessel to supply or transport to the Federal Republic of Yugoslavia (Serbia and Montenegro) any such items. These requirements apply to embargoed items, regardless of origin.

(i) Crime Control and Detection Equipment as identified on the CCL under CC Columns No. 1, 2 or 3 in the Country Chart column of the ''License Requirements'' section of the applicable ECCN.

(ii) Items described by ECCNs ending in ''018''; and 0A982, 0A984, 0A985, 0A986, 0A988, 0A989, 0B986, 0E984, 1A005, 1C998, 2A993, 6A002.a.1, a.2, a.3, b and c, 6A003.b.3 and b.4, 6E001, 6E002, and 9A991.a.

(2) *Date of embargo.* The licensing requirements in this section are effective on July 14, 1998.

(b) *Licensing policy.* Applications for export or reexport of all items listed in paragraphs (a)(1)(i) and (ii) of this section are subject to a general policy of denial. Consistent with United Nations Security Council Resolution 1160, this embargo is effective notwithstanding the existence of any rights or obligations conferred or imposed by any international agreement or any contract entered into or any license or permit granted prior to July 14, 1998, except to the extent provided in regulations, orders, directives or licenses that may be issued in the future under Executive Order 12918 or under the EAR.

(c) *Related controls.* The Department of State, Office of Defense Trade Controls, maintains related controls on arms and military equipment under the International Traffic in Arms Regulations (22 CFR parts 120–130). You should also contact the Department of the Treasury's Office of Foreign Assets Control concerning any restrictions which might apply to U.S. persons involving financial transactions with the Federal Republic of Yugoslavia (Serbia and Montenegro).

Supplement No. 3 to Part 746 [Removed and Reserved]

7. Supplement No. 3 to part 746 is removed and reserved.

PART 774—[AMENDED]

Supplement No. 1 to Part 774—[Amended]

8. In Category 0—Nuclear Materials, Facilities, and Equipment [and Miscellaneous Items], the following Export Control Classification Numbers (ECCNs) are amended:

a. By revising the ''License Requirements'' section and the ''License Exceptions'' section for ECCN 0A018;

b. By revising the entry heading and the ''License Requirements'' section for ECCN 0A982;

c. By revising the ''License Requirements'' section for ECCNs 0A984, 0A985, 0A986, 0A988, 0B986 and 0E984;

d. By adding a new entry for 0A989; and

e. By revising the ''License Requirements'' section and the ''License Exceptions'' section for ECCN 0E108, to read as follows:

0A018 Items on the International Munitions List.

License Requirements

Reason for Control: NS, AT, UN

Control(s)	Country chart
NS applies to entire entry.	NS Column 1.
AT applies to entire entry.	AT Column 1.
UN applies to entire entry.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

License Exceptions

LVS: $1,500, except $0 for Rwanda and the Federal Republic of Yugoslavia (Serbia and Montenegro)

GBS: N/A

CIV: N/A

* * * * *

0A982 Saps; thumbcuffs, leg irons, shackles, and handcuffs; straight jackets, plastic handcuffs, conventional steel military helmets, police helmets and shields; and parts and accessories, n.e.s.

License Requirements

Reason for Control: CC, UN

Control(s)	Country chart
CC applies to entire entry.	CC Column 1.
UN applies to entire entry.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

* * * * *

0A984 Shotguns, barrel length 18 inches (45.72 cm) inches or over; buckshot shotgun shells; except equipment used exclusively to treat or tranquilize animals, and except arms designed solely for signal, flare, or saluting use; and parts, n.e.s.

License Requirements

Reason for Control: CC, UN

Control(s)	Country chart
CC applies to shotguns with a barrel length over 18 in. (45.72 cm) but less than 24 in. (60.96 cm) or buckshot shotgun shells controlled by this entry, regardless of end-user.	CC Column 1.
CC applies to shotguns with a barrel length greater than or equal to 24 in. (60.96 cm), regardless of end-user.	CC Column 2.
CC applies to shotguns with a barrel length greater than or equal to 24 in. (60.96 cm) if for sale or resale to police or law enforcement.	CC Column 3.
UN applies to entire entry.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

* * * * *

0A985 Optical sighting devices for firearms (including shotguns controlled by 0A984); discharge type arms (for example, stun guns, shock batons, electric cattle prods, immobilization guns and projectiles, etc.) except equipment used exclusively to treat or tranquilize animals, and except arms designed solely for signal, flare, or saluting use; and parts, n.e.s.

License Requirements

Reason for Control: CC, UN

Control(s)	Country chart
CC applies to entire entry.	CC Column 1.
UN applies to entire entry.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

* * * * *

0A986 Shotgun shells, except buckshot shotgun shells, and parts.

License Requirements

Reason for Control: UN

UN applies to entire entry. A license is required for items controlled by this entry to Rwanda and the Federal Republic of Yugoslavia (Serbia and Montenegro). The Commerce Country Chart is not designed to determine licensing requirements for this entry. See part 746 of the EAR for additional information.

* * * * *

0A988 Conventional military steel helmets as described by 0A018.f.1; and machetes.

License Requirements

Reason for Control: UN

Controls(s)

UN applies to entire entry. A license is required for conventional military steel helmets as described by 0A018.f.1 to Rwanda and the Federal Republic of Yugoslavia (Serbia and Montenegro). A license is required for machetes to Rwanda. The Commerce Country Chart is not designed to determine licensing requirements for this entry. See part 746 of the EAR for additional information.

* * * * *

0A989 Water cannon and specially designed components for water cannon.

License Requirements

Reason for Control: UN

Control(s)

UN applies to entire entry. A license is required for items controlled by this entry to the Federal Republic of Yugoslavia (Serbia and Montenegro). The Commerce Country Chart is not designed to determine licensing requirements for this entry. See § 746.9 of the EAR for additional information.

License Exceptions

LVS: N/A
GBS: N/A
CIV: N/A

List of Items Controlled

Unit: $ value
Related Controls: N/A
Related Definitions: N/A

Items: The list of items controlled is contained in the ECCN heading.

0B986 Equipment specially designed for manufacturing shotgun shells; and ammunition hand-loading equipment for both cartridges and shotgun shells.

License Requirements

Reason for Control: UN

Control(s)

UN applies to entire entry. A license is required for items controlled by this entry to Rwanda and the Federal Republic of Yugoslavia (Serbia and Montenegro). The Commerce Country Chart is not designed to determine licensing requirements for this entry. See part 746 of the EAR for additional information.

* * * * *

0E018 ''Technology'' for the ''development'', ''production'', or ''use'' of items controlled by 0A018.b through 0A018.e.

License Requirements

Reason for Control: NS, UN, AT

Control(s)	Country chart
NS applies to entire entry.	NS Column 1.
UN applies to entire entry.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).
AT applies to entire entry.	AT Column 1.

License Exceptions

CIV: N/A

TSR: Yes, except N/A for Rwanda and the Federal Republic of Yugoslavia (Serbia and Montenegro)

* * * * *

0E984 ''Technology'' for the ''development'' or ''production'' of shotguns controlled by 0A984 and buckshot shotgun shells.

License Requirements

Reason for Control: CC, UN

Control(s)	Country chart
CC applies to ''technology'' for shotguns with a barrel length over 18 in. (45.72 cm) but less than 24 in. (60.96 cm) and shotgun shells, regardless of end-user.	CC Column 1.

Control(s)	Country chart
CC applies to ''technology'' for shotguns with a barrel length greater than or equal to 24 in. (60.96 cm), regardless of end-user.	CC Column 2.
CC applies to ''technology'' for shotguns with a barrel length greater than or equal to 24 in. (60.96 cm) if for sale or resale to police or law enforcement.	CC Column 3.
UN applies to entire entry.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

* * * * *

9. In Category 1—Materials, Chemicals, ''Microorganisms'' & ''Toxins'', the following Export Control Classification Numbers (ECCNs) are amended:

a. By revising the ''License Requirements'' section for ECCNs 1A005 and 1D018;

b. By adding a new entry for 1C998; and

c. By revising the ''License Requirements'' section and the ''License Exceptions'' section for ECCNs 1B018 and 1C018, to read as follows:

1A005 Body armor, and specially designed components therefor, not manufactured to military standards or specifications, nor to their equivalents in performance.

License Requirements

Reason for Control: NS, AT, UN

Control(s)	Country chart
NS applies to entire entry.	NS Column 2.
AT applies to entire entry.	AT Column 1.
UN applies to entire entry.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

* * * * *

1B018 Equipment on the International Munitions List.

License Requirements

Reason for Control: NS, MT, RS, AT, UN

Control(s)	Country chart
NS applies to entire entry.	NS Column 1.
MT applies to equipment for the ''production'' of rocket propellants.	MT Column 1.
RS applies to 1B018.a.	RS Column 2.
AT applies to entire entry.	AT Column 1.
UN applies to entire entry.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

License Exceptions

LVS: $3000 for 1B018.a for countries WITHOUT an ''X'' in RS Column 2 on the Country Chart contained in Supplement No. 1 to part 738 of the EAR $5000 for 1B018.b N/A for Rwanda and the Federal Republic of Yugoslavia (Serbia and Montenegro)

GBS: N/A

CIV: N/A

* * * * *

1C018 Materials on the International Munitions List.

License Requirements

Reason for Control: NS, AT, UN

Control(s)	Country chart
NS applies to entire entry.	NS Column 1.
AT applies to entire entry.	AT Column 1.
UN applies to entire entry.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

License Exceptions

LVS: $3000, except N/A for Rwanda and the Federal Republic of Yugoslavia (Serbia and Montenegro)

GBS: Yes for items listed in Advisory Note to 1C018, except N/A for Rwanda and the Federal Republic of Yugoslavia (Serbia and Montenegro)

CIV: N/A

* * * * *

1C998 Detonation cords and equipment and explosive material (n.e.s).

License Requirements

Reason for Control: UN

Control(s)	Country chart
UN applies to entire entry.	Federal Republic of Yugoslavia (Serbia and Montenegro).

License Exceptions

LVS: N/A

GBS: N/A

CIV: N/A

List of Items Controlled

Unit: $ value

Related Controls: N/A

Related Definitions: Items contained in this entry are those materials other than materials subject to the licensing authority of the U.S. Department of State, Office of Defense Trade Controls (see 22 CFR part 121) and ECCN 1C018.

Items: The list of items controlled is contained in the ECCN heading.

1D018 ''Software'' specially designed or modified for the ''development'', ''production'', or ''use'' of items controlled by 1B018.

License Requirements

Reason for Control: NS, MT, AT, UN

Control(s)	Country chart
NS applies to entire entry.	NS Column 1.
MT applies to ''software'' for the ''development'', ''production'', or ''use'' of items controlled by 1B018 for MT reasons.	MT Column 1.
AT applies to entire entry.	AT Column 1.
UN applies to entire entry.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

* * * * *

10. In Category 2—Materials Processing, Export Control Classification Numbers (ECCNs) are amended:

a. By revising the ''License Requirements'' section for ECCN 2A993; and

b. By revising the ''License Requirements'' section and the ''License Exceptions'' sections for ECCNs 2B018, 2D018, and 2E018, to read as follows:

2A993 Explosive detection systems, consisting of an automated device, or combination of devices, with the ability to detect the presence of different types of explosives, in passenger checked baggage, without need for human skill, vigilance, or judgment.

License Requirements

Reason for Control: AT, UN

Control(s)	Country chart
AT applies to entire entry.	AT Column 1.
UN applies to entire entry.	Federal Republic of Yugoslavia (Serbia and Montenegro).

* * * * *

2B018 Equipment on the International Munitions List.

License Requirements

Reason for Control: NS, MT, RS, AT, UN.

Control(s)	Country chart
NS applies to entire entry.	NS Column 1.
MT applies to specialized machinery, equipment, and gear for producing rocket systems (including ballistic missile systems, space launch vehicles, and sounding rockets) and unmanned air vehicle systems (including cruise missile systems, target drones, and reconnaissance drones) usable in systems that are controlled for MT reasons including their propulsion systems and components, and pyrolytic deposition and densification equipment.	MT Column 1.
RS applies to entire entry.	RS Column 2.
AT applies to entire entry.	AT Column 1.
UN applies to entire entry.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

License Exceptions

LVS: $3000, except N/A for Rwanda and the Federal Republic of Yugoslavia (Serbia and Montenegro).

GBS: Yes for Advisory Note in this entry to 2B018, except N/A for Rwanda and the Federal Republic of Yugoslavia (Serbia and Montenegro).

CIV: N/A

* * * * *

2D018 ''Software'' for the ''development'', ''production'' or ''use'' of equipment controlled by 2B018.

License Requirements

Reason for Control: NS, MT, AT, UN.

Control(s)	Country chart
NS applies to entire entry.	NS Column 1.
MT applies to ''software'' for equipment controlled by 2B018 for MT reasons.	MT Column 1.
AT applies to entire entry.	AT Column 1.
UN applies to entire entry.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

License Exceptions

CIV: N/A

TSR: Yes, except N/A for Rwanda and the Federal Republic of Yugoslavia (Serbia and Montenegro)

* * * * *

2E018 ''Technology'' for the ''use'' of equipment controlled by 2B018.

License Requirements

Reason for Control: NS, MT, AT, UN

Control(s)	Country chart
NS applies to entire entry.	NS Column 1.
MT applies to ''technology'' for equipment controlled by 2B018 for MT reasons.	MT Column 1.
AT applies to entire entry.	AT Column 1.
UN applies to entire entry.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

License Exceptions

CIV: N/A

TSR: Yes, except N/A for Rwanda and the Federal Republic of Yugoslavia (Serbia and Montenegro)

* * * * *

11. In Category 6—Sensors and Lasers, the following Export Control Classification Numbers (ECCNs) are amended:

a. By revising the ''License Requirements'' section for ECCNs 6A002, and 6A003;

b. By revising the entry heading and the ''License Requirements'' section for ECCNs 6E001 and 6E002; and

c. By revising the ''License Requirement'' section and the ''License Exceptions'' section for ECCN 6A018, to read as follows:

6A002 Optical sensors.

License Requirements

Reason for Control: NS, MT, CC, RS, AT, UN

Control(s)	Country chart
NS applies to entire entry.	NS Column 2.
MT applies to optical detectors in 6A002.a.1, a.3, and .e that are specially designed or rated as electromagnetic (including ''lasers'') and ionized particle radiation resistant.	MT Column 1.
RS applies to 6A002.a.1, a.2, a.3 and .c.	RS Column 1.
CC applies to police-model infrared viewers in 6A002.c.	CC Column 1,
AT applies to entire entry.	AT Column 1.
UN applies to 6A002.a.1, a.2 a.3, and c.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).
UN applies to 6A002.b.	Federal Republic of Yugoslavia (Serbia and Montenegro).

LICENSE REQUIREMENT NOTES: See § 743.1 of the EAR for reporting requirements for exports under License Exceptions.

* * * * *

6A003 Cameras.

License Requirements

Reason for Control: NS, NP, RS, AT, UN

Control(s)	Country chart
NS applies to entire entry.	NS Column 2.
NP applies to items controlled in paragraphs 6A003.a.2, a.3 and a.4.	NP Column 1.
RS applies to items controlled in 6A003.b.3 and b.4.	RS Column 1.
AT applies to entire entry.	AT Column 1.
UN applies to items controlled in 6A003.b.3 and b.4.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

* * * * *

6A018 Magnetic, pressure, and acoustic underwater detection devices specially designed for military purposes and controls and components therefor.

License Requirements

Reason for Control: NS, AT, UN

Control(s)	Country chart
NS applies to entire entry.	NS Column 1.
AT applies to entire entry.	AT Column 1.

Control(s)	Country chart
UN applies to entire entry.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

License Exceptions

LVS: $5000, except N/A for Rwanda and the Federal Republic of Yugoslavia (Serbia and Montenegro)

GBS: N/A

CIV: N/A

* * * * *

6E001 ''Technology'' according to the General Technology Note for the ''development'' of equipment, materials or ''software'' controlled by 6A (except 6A991, 6A992, 6A994, 6A995, 6A996, 6A997 or 6A998), 6B (except 6B995), 6C (except 6C992 or 6C994) or 6D (except 6D991, 6D992, or 6D993).

License Requirements

Reason for Control: NS, MT, NP, RS, CC, AT, UN

Control(s)	Country chart
NS applies to ''technology'' for items controlled by 6A001 to 6A008, 6B004 to 6B008, 6C002 to 6C005, or 6D001 to 6D003.	NS Column 1.
MT applies to ''technology'' for items controlled by 6A002, 6A007, 6A008, 6A102, 6A107, 6A108, 6B008, 6B108, 6D001, 6D002, 6D102 or 6D103 for MT reasons.	MT Column 1.
NP applies to ''technology'' for equipment controlled by 6A003, 6A005, 6A202, 6A203, 6A205, 6A225 or 6A226 for NP reasons.	NP Column 2.
RS applies to ''technology'' for equipment controlled by 6A002 or 6A003 for RS reasons.	RS Column 1.
CC applies to ''technology'' for equipment controlled by 6A002 for CC reasons.	CC Column 1.
AT applies to entire entry.	AT Column 1.
UN applies to ''technology'' for equipment controlled by 6A002 or 6A003 for UN reasons..	Rwanda; Federal Republic of Yugoslavia reasons (Serbia and Montenegro).

License Requirement Notes: See § 743.1 of the EAR for reporting requirements for exports under License Exceptions.

* * * * *

6E002 ''Technology'' according to the General Technology Note for the ''production'' of equipment or materials controlled by 6A (except 6A991, 6A992, 6A994, 6A995, 6A996, 6A997 or 6A998), 6B (except 6B995), or 6C (except 6C992 or 6C994).

License Requirements

Reason for Control: NS, MT, NP, RS, AT, CC, UN

Control(s)	Country chart
NS applies to ''technology'' for equipment controlled by 6A001 to 6A008, 6B004 to 6B008, or 6C002 to 6C005.	NS Column 1.
MT applies to ''technology'' for equipment controlled by 6A002, 6A007, 6A008, 6A102, 6A107, 6A108, 6B008, or 6B108 for MT reasons.	MT Column 1.
NP applies to ''technology'' for equipment controlled by 6A003, 6A005, 6A202, 6A203, 6A205, 6A225 or 6A226 for NP reasons.	NP Column 1.
RS applies to ''technology'' for equipment controlled by 6A002 or 6A003 for RS reasons.	RS Column 1.
CC applies to ''technology'' for equipment controlled by 6A002 for CC reasons.	CC Column 1.
AT applies to entire entry.	AT Column 1.
UN applies to ''technology'' for equipment controlled by 6A002 or 6A003 for UN reasons.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

License Requirement Notes: See § 743.1 of the EAR for reporting requirements for exports under License Exceptions.

* * * * *

12. In Category 8—Marine, Export Control Classification Number (ECCN) 8A018 is amended by revising the ''License Requirements'' section and the ''License Exceptions'' section to read as follows:

8A018 Items on the International Munitions List.

License Requirements

Reason for Control: NS, AT, UN

Control(s)	Country chart
NS applies to entire entry.	NS Column 1.
AT applies to entire entry.	AT Column 1.
UN applies to entire entry.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

License Exceptions

LVS: $5000, except N/A for Rwanda and the Federal Republic of Yugoslavia (Serbia and Montenegro)

GBS: N/A

CIV: N/A

* * * * *

13. In Category 9—Propulsion Systems, Space Vehicles and Related Equipment, the following Export Control Classification Number (ECCNs) are amended:

a. By revising the ''License Requirements'' section and ''License Exceptions'' section for ECCN 9A018; and

b. By revising the ''License Requirements'' section for ECCN 9A991, 9D018 and 9E018, to read as follows:

9A018 Equipment on the International Munitions List.

License Requirements

Reason for Control: NS, RS, AT, UN

Control(s)	Country chart
NS applies to entire entry.	NS Column 1.
RS applies to 9A018.a and b.	RS Column 2.
AT applies to entire entry.	AT Column 1.
UN applies to entire entry	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

License Exceptions

LVS: $1500, except N/A for Rwanda and for the Federal Republic of Yugoslavia (Serbia and Montenegro)

GBS: N/A

CIV: N/A

* * * * *

9A991 ''Aircraft'', n.e.s., and gas turbine engines not controlled by 9A001 or 9A101 and parts and components, n.e.s.

License Requirements

Reason for Control: AT, UN

Control(s)	Country chart
AT applies to entire entry.	AT Column 1.
UN applies to 9A991.a.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

* * * * *

9D018 ''Software'' for the ''use'' of equipment controlled by 9A018.

License Requirements

Reason for Control: NS, RS, AT, UN

Control(s)	Country chart
NS applies to entire entry.	NS Column 1.
RS applies to 9A018.a and .b.	RS Column 2.
AT applies to entire entry.	AT Column 1.
UN applies to entire entry.	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

* * * * *

9E018 ''Technology'' for the ''development'', ''production'', or ''use'' of equipment controlled by 9A018.

License Requirements

Reason for Control: NS, RS, AT, UN

Control(s)	Country chart
NS applies to entire entry.	NS Column 1.
RS applies to 9A018.a and .b.	RS Column 2.
AT applies to entire entry.	AT Column 1.
UN applies to entire entry	Rwanda; Federal Republic of Yugoslavia (Serbia and Montenegro).

* * * * *

Dated: July 2, 1998.

Iain S. Baird,

Acting Assistant Secretary for Export Administration.

[FR Doc. 98–18417 Filed 7–13–98; 8:45 am]

BILLING CODE 3510–DT–P

DEPARTMENT OF THE INTERIOR

Office of Surface Mining Reclamation and Enforcement

30 CFR Part 948

[WV–078–FOR]

West Virginia Regulatory Program

AGENCY: Office of Surface Mining Reclamation and Enforcement (OSM), Interior.

ACTION: Final rule.

SUMMARY: OSM is approving the clarification of three final rule decisions, the removal of a required amendment, and the vacating of its retroactive approval of amendments to the West Virginia permanent regulatory program (hereinafter referred to as the West Virginia program) under the Surface Mining Control and Reclamation Act of 1977 (SMCRA). The clarifications concern West Virginia statutes pertaining to administrative appeals and the State Environmental Quality Board, and the required amendment pertains to termination of jurisdiction. These actions are intended to comply with a settlement agreement reached in *West Virginia Mining and Reclamation Association (WVMRA)* v. *Babbitt*, No. 2: 96–0371 (S.D. W.Va.).

EFFECTIVE DATE: July 14, 1998.

FOR FURTHER INFORMATION CONTACT: Mr. Roger W. Calhoun, Director, Charleston Field Office, Telephone: (304) 347–7158.

SUPPLEMENTARY INFORMATION:

I. Background on the Virginia Program
II. Submission of the Amendment
III. Director's Findings
IV. Summary and Disposition of Comments
V. Director's Decision
VI. Procedural Determinations

I. Background on the West Virginia Program

On January 21, 1981, the Secretary of the Interior conditionally approved the West Virginia program. Background information on the West Virginia program, including the Secretary's findings, the disposition of comments, and the conditions of the approval can be found in the January 21, 1981, **Federal Register** (46 FR 5915–5956). Subsequent actions concerning the West Virginia program and previous amendments are codified at 30 CFR 948.10, 948.12, 948.13, 948.15, and 948.16.

II. Submission of the Amendment

In a series of three letters dated June 28, 1993, and July 30, 1993 (Administrative Record Nos. WV–888, WV–889 and WV–893), the West Virginia Division of Environmental Protection (WVDEP) submitted an amendment to its approved permanent regulatory program that included numerous revisions to the West Virginia Surface Coal Mining and Reclamation Act (referred to herein as ''the Act'', WVSCMRA § 22A–3–1 *et seq.*) and the West Virginia Surface Mining Reclamation Regulations (CSR § 38–2–1 *et seq.*). OSM approved the proposed revisions on durable rock fills on August 16, 1995, (60 FR 42437–42443) and approved, with exceptions, the proposed revisions on bonding on October 4, 1995, (60 FR 51900–51918). OSM approved, with exceptions, the remaining amendments on February 21, 1996, (61 FR 6511–6537). See 30 CFR 948.15 for the provisions that were partially approved by OSM. See 30 CFR 948.16 for required amendments.

On April 18, 1996, the WVMRA, the West Virginia Coal Association, and the Tri-State Coal Operators Association, Inc. filed an appeal, pursuant to section 526(a)(1) of SMCRA, 30 U.S.C. 1276(a)(1), challenging certain OSM decisions contained in the February 21, 1996, Federal Register Notice, including the decision to make approval of the amendment retroactive. (Administrative Record Number WV–1027). On October 29, 1997, the parties reached a settlement agreement with respect to six of the seven counts contained in the above referenced case. (Administrative Record Number WV–1077). The other count, pertaining to the use of passive treatment systems after final bond release, was decided by the United States District Court for the Southern District of West Virginia in OSM's favor. *See WVMRA* v. *Babbitt*, No. 2: 96–0371 (S.D. W.Va. July 11, 1997) (Administrative Record Number WV–1072). OSM proposed this rulemaking in order that it may fulfill its obligations with respect to five of the six counts of the appeal which are addressed by settlement agreement. The remaining count addressed in the settlement agreement, pertaining to the windrowing of materials on the downslope in steep slope areas, is the subject of another proposed rulemaking, announced in the June 10, 1997, **Federal Register**. *See* 62 FR 31543, 31545.

The proposed rulemaking was published in the February 23, 1998, **Federal Register** (63 FR 8891). No one requested an opportunity to speak at a public hearing, so none was held.

III. Director's Findings

Set forth below, pursuant to SMCRA and the Federal regulations at 30 CFR 732.15 and 732.17, are the Director's

findings concerning the clarification of three final rule decisions, the removal of a required amendment, and the vacating of its retroactive approval of amendments to the West Virginia permanent regulatory program.

1. The Clarifications

§ 22B–1–7(d) Administrative Appeals

As announced in the **Federal Register** on February 21, 1996 (61 FR at 6516, 6536), OSM did not approve a language at § 22B–1–7(d) concerning allowing temporary relief where the appellant demonstrates that the executed decision appealed from will result in the appellant suffering an ''unjust hardship.'' OSM stated that the provision was disapproved because the exception is inconsistent with SMCRA section 514(d) and 525(c). Further, OSM required, at 30 CFR 948.16(nnn), that § 22B–1–7(d) be amended to be consistent with SMCRA sections 514(d) and 525(c). In accordance with the settlement agreement in *WVMRA* v. *Babbitt, supra,* OSM proposed to clarify its February 21, 1996, decision by stating that § 22B–1–7(d) is not approved only to the extent that it includes unjust hardship as a criterion to support the granting of temporary relief from an order or other decision issued under Chapter 22, Article 3 of the West Virginia Code, which is the West Virginia counterpart to SMCRA. OSM also proposed to revise the required amendment at 30 CFR 948.16(nnn) to require West Virginia to amend its program to remove unjust hardship as a criterion to support the granting of temporary relief from an order or other decision issued under Chapter 22, Article 3 of the West Virginia Code. The Director now adopts this proposal, and is, therefore, not approving § 22B–1–7(d) only to the extent that it includes unjust hardship as a criterion to support the granting of temporary relief from an order or other decision issued under Chapter 22, Article 3 of the West Virginia Code, which is the West Virginia counterpart to SMCRA. The Director is also revising the required amendment at 30 CFR 948.16(nnn) to require West Virginia to amend its program to remove unjust hardship as a criterion to support the granting of temporary relief from an order or other decision issued under Chapter 22, Article 3 of the West Virginia Code.

§ 22B–1–7(h) Administrative Appeals

As announced in the **Federal Register** on February 21, 1996 (61 FR at 6516, 6536), OSM did not approve language at § 22B–1–7(h) to the extent that the provisions would allow the West Virginia Surface Mining Board to decline to order an operator to treat or control discharges due to economic considerations. In addition, OSM required, at 30 CFR 948.16(ooo), that the State further amend § 22B–1–7(h) to be no less stringent than SMCRA section 515(b)(10) and no less effective than the Federal regulations at 30 CFR 816.42 by requiring that discharges be controlled or treated without regard to economic feasibility. In accordance with the settlement agreement in *WVMR* v. *Babbitt, supra.* OSM proposed to clarify that § 22B–1–7(h) is not approved only to the extent that it references Article 3, Chapter 22 of the West Virginia Code. OSM also proposed to revise the required amendment at 30 CFR 948.16(ooo) to require West Virginia to mend its program by removing the reference, in § 22B–1–7(h), to Article 3, Chapter 22. The Director is now adopting this proposal and is, therefore, not approving § 22B–1–7(h) only to the extent that it references Article 3, Chapter 22 of the West Virginia Code. The Director is also revising the required amendment at 30 CFR 948.16(ooo)—to require West Virginia to amend its program by removing the reference, in § 22B–1–7(h), to Article 3, Chapter 22.

§ 22B–3–4 Environmental Quality Board

As announced in the **Federal Register** on February 21, 1996 (61 FR at 6517), OSM approved the provisions at § 22B–3–4 concerning the Environmental Quality Board's rulemaking authority. Under the State's S.B. 287, the Board is authorized, with certain restrictions, to promulgate procedural rules granting site-specific variances for water quality standards for coal remining operations. In approving the provision, OSM also stated that any such procedural rules that grant variances must be submitted to OMS for approval prior to their implementation.

In accordance with the settlement agreement in *WVMRA* v. *Babbitt, supra,* OSM proposed to clarify that it does not have approval authority over rules developed by the Environmental Quality Board under the authority of the Clean Water Act. The Director is now adopting this proposal and finds, therefore, that the Environmental Quality Board is not required to submit to OSM for approval procedural rules for the implementation of site specific variances for water quality standards for remining operations.

2. Amendment Findings Revisions

CSR 38–2–1.2(c)(1) Termination of Jurisdiction

As announced in the **Federal Register** on February 21, 1996 (61 FR at 6517, 6536), OSM found § 38–2–1.2(c)(1) to be less effective than the Federal regulations at 30 CFR 700.11(d)(1)(i) to the extent that subsection (c)(1) does not require compliance with the Federal initial program regulations at Subchapter B or the West Virginia permanent regulatory program as a prerequisite to the termination of jurisdiction over an initial program site. In addition, OSM required, at 30 CFR 948.16(ppp), that the State further amend subsection (c)(1) to require compliance with the Federal initial program regulations at Subchapter B or the West Virginia permanent regulatory program regulations as a prerequisite to the termination of jurisdiction over an initial program site.

By letter dated December 12, 1996 (Administrative Record Number WV–1052), the West Virginia Division of Environmental Protection (WVDEP) stated its commitment to require that initial program sites in West Virginia meet the West Virginia program's permanent program requirements as a precondition of the termination of regulatory jurisdiction over such sites.

In recognition of the acknowledgment contained in the December 12, 1996, WVDEP letter, and in accordance with the settlement agreement in *WVMRA* v. *Babbitt, supra,* OSM proposed to accept the WVDEP's December 12, 1996 letter as satisfying the requirements of 30 CFR 700.11(d)(1)(i), and proposed to delete the required amendment codified at 30 CFR 948.16(ppp). The Director is now adopting this proposal and, therefore, is accepting the WVDEP's December 12, 1996 letter as satisfying the requirements of 30 CFR 700.11(d)(1)(i). The Director is also removing the required amendment at 30 CFR 948.16(ppp).

3. Vacating Retroactive Approval of Amendments

In the February 21, 1996, **Federal Register** (61 FR 6533), OSM stated that with respect to laws and regulations being approved in the notice, the OSM was making the effective date of the approval retroactive to the date upon which each provision took effect in West Virginia for purposes of State law. However, as stated in the settlement agreement in *WVMRA* v. *Babbitt, supra,* OSM has agreed to vacate the retroactive effect of its approval of the program amendment which was the subject of the February 21, 1996, **Federal Register**

notice. Therefore, OSM announced its intention to vacate the retroactive approval of the amendments discussed and approved in the February 21, 1996, **Federal Register** notice, 61 FR 6511, 6535. In addition, OSM proposed to change the effective dates of all the amendments approved in the February 21, 1996 notice to February 21, 1996.

Accordingly, the Director is hereby vacating the retroactive approval of the amendments discussed and approved in the February 21, 1996, **Federal Register** notice 61 FR 6511, 6535. Furthermore, the Director is changing the effective dates of all the amendments approved in the February 21, 1996 notice to February 21, 1996.

The Director finds that the clarifications, amendment findings revisions, and vacation of the retroactive approval of the previously approved amendments do not render the West Virginia program less effective, and are hereby approved.

IV. Summary and Disposition of Comments

Federal Agency Comments

Pursuant to section 503(b) of SMCRA and 30 CFR 732.17(h)(11)(i), comments were solicited from various interested Federal agencies. The Department of the Army, U.S. Army Corps of Engineers responded and stated that the proposed dispositions are satisfactory to the agency. The U.S. Department of Labor, Mine Safety and Health Administration (MSHA) responded and stated that the agency did not find any statements that would conflict with MSHA's regulations or policies.

Public Comments

The following comments were received in response to the request for public comments. The West Virginia Coal Association (WVCA) stated that events have occurred since OSM's approval of the West Virginia Code at § 22–3–8(6)(B) concerning compliance with the State's workers' compensation provisions at § 23–2–5. § 22–3–8(6)(B) states that ''[i]t is a requirement of this article [article 3, chapter 22, which is the West Virginia counterpart to SMCRA] that each operator maintain continued compliance with the provisions of section five, article two, chapter twenty-three of this code [the requirement to pay workers' compensation premiums] and provide proof of compliance to the director on an annual basis.'' Specifically, the commenter stated that interpretations of § 22–3–8(6)(B) may improperly (1) create bond forfeitures that cannot be reclaimed by the State's special reclamation fund; (2) allow reclamation bonds to be used for purposes other than reclamation of mining sites; and (3) allows citizens' suits that would affect limits imposed under the State's workers' compensation laws. Accordingly, the WVCA demanded that OSM either disapprove § 22–3–8(6)(B) or approve it expressly subject to the interpretation given to the provision by the WVDEP. That interpretation is discussed below.

The WVDEP stated that its primary concern is that implementation of § 22–3–8(6)(B) not put any additional pressure on the bonding funds available to WVDEP for completing reclamation. WVDEP stated that, while it is more than willing to screen applicants for compliance with the workers' compensation laws and thereafter take reasonable action to ensure that they subsequently maintain compliance, the WVDEP cannot in doing so jeopardize its primary purposes to ensure that the environment is protected and reclamation is accomplished.

The WVDEP further stated that to ensure that § 22–3–8(6)(B) is not interpreted or applied in such a fashion as to jeopardize environmental protection and the reclamation bonding program, WVDEP issued a policy on June 7, 1995, concerning enforcement procedures for companies in default with workers' compensation. By that policy, WVDEP interprets § 22–3–8(6)(B) to allow permittees to abate violations issued for the workers' compensation defaults of their contractors either by demonstrating that the contractor has returned to good standing or by taking action to terminate the operator approval. WVDEP stated that it recognizes that any interpretations of § 22–3–8(6)(B) which would impose obligations on permittees or operators for workers' compensation obligations incurred prior to the effective date of the statute could compromise the Special Reclamation Fund, which is used to reclaim minesites for which the proceeds for forfeited performance bonds are inadequate to achieve full reclamation.

To ensure an appropriate application of § 22–3–8(6)(B) while maintaining the consistency of the State surface mining program with SMCRA, and in accordance with its June 7, 1995, policy, the WVDEP interprets § 22–3–8(6)(B) as:

(1) Prohibiting the issuance of both new permits and operator approvals (known as operator reassignments in West Virginia) to those applicants for which the Workers' Compensation Division advises have not complied with § 23–2–5;

(2) In cases involving permittees that utilize contractors, enabling DEP to issue a notice of violation to a permittee for its contractors' failure to comply with the workers' compensation provisions of W. Va. Code § 23–2–5, and allowing the permittee to abate the violation *either* by demonstrating that the contractor has returned a status of good standing with the Workers' Compensation Division *or* by submitting the paperwork necessary to allow DEP to rescind or terminate the operator approval (operator reassignment); and

(3) To the extent it imposes obligations on permittees and operators to maintain compliance with W. Va. Code § 23–2–5, it does so only to the extent that the obligation to pay premiums, submit reports, etc. first arose after the effective date of W. Va. Code § 22–3–8(6)(B).

The Director does not believe that the WVCA's comments are germane to this rulemaking, since approval of § 22–3–8(6)(A) and (B) was previously announced in the February 21, 1996, **Federal Register**. 61 FR 6511. In his approval, the Director noted that ''as provided in paragraph (h) [§ 22–3–8(6)], the State proposes to make compliance with the Workers' Compensation Program a requirement of permit approval.'' 61 FR at 6514. The basis for the Director's approval is not changed in this rulemaking, since the substance of § 22–3–8(6) is not at issue here. The Director notes, however, that the effective date of his approval of § 22–3–8(6) is now changed to February 21, 1996.

Environmental Protection Agency (EPA)

Pursuant to 30 CFR 732.17(h)(11)(ii), OSM is required to obtain the written concurrence of the EPA with respect to those provisions of the proposed program amendment that relate to air or water quality standards promulgated under the authority of the Clean Water Act (33 U.S.C. 1251 *et seq.*) or the Clean Air Act (42 U.S.C. 7401 *et seq.*). OSM has determined that the proposed provision does not pertain to air and water quality standards. Therefore, EPA concurrence is not required.

Pursuant to 30 CFR 732.17(h)(11)(i), OSM solicited comments from the EPA on the proposed amendment. EPA did not provide any comments in response to the request.

V. Director's Decision

Based on the findings above the Director is approving the clarification of the three final rule decisions, the removal of the required amendment, and the vacating of its February 21, 1996, retroactive approval of

amendments to the West Virginia program.

The Federal regulations at 30 CFR 948 codifying decisions concerning the West Virginia program are being amended to implement this decision.

VI. Procedural Determinations

Executive Order 12866

This rule is exempted from review by the Office of Management and Budget (OMB) under Executive Order 12866 (Regulatory Planning and Review).

Executive Order 12988

The Department of the Interior has conducted the reviews required by section 3 of Executive Order 12988 (Civil Justice Reform) and has determined that, to the extent allowed by law, this rule meets the applicable standards of subsections (a) and (b) of that section. However, these standards are not applicable to the actual language of State regulatory programs and program amendments since each such program is drafted and promulgated by a specific State, not by OSM. Under sections 503 and 505 of SMCRA (30 U.S.C. 1253 and 1255) and 30 CFR 730.11, 732.15, and 732.17(h)(10), decisions on proposed State regulatory programs and program amendments submitted by the States must be based solely on a determination of whether the submittal is consistent with SMCRA and its implementing Federal regulations and whether the other requirements of 30 CFR Parts 730, 731, and 732 have been met.

National Environmental Policy Act

No environmental impact statement is required for this rule since section 702(d) of SMCRA (30 U.S.C. 1292(d)) provides that agency decisions on proposed State regulatory program provisions do not constitute major Federal actions within the meaning of section 102(2)(C) of the National Environmental Policy Act (42 U.S.C. 4332(2)(C)).

Paperwork Reduction Act

This rule does not contain information collection requirements that require approval by OMB under the Paperwork Reduction Act (44 U.S.C. 3507 *et seq.*).

Regulatory Flexibility Act

The Department of the Interior has determined 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.*). The State submittal which is the subject of this rule is based upon corresponding Federal regulations for which an economic analysis was prepared and certification made that such regulations would not have a significant economic effect upon a substantial number of small entities. Accordingly, this rule will ensure that existing requirements previously promulgated by OSM will be implemented by the State. In making the determination as to whether this rule would have a significant economic impact, the Department relied upon the data for assumptions for the corresponding Federal regulations.

Unfunded Mandates

This rule will not impose a cost of $100 million or more in any given year or any governmental entity or the private sector.

List of Subjects in 30 CFR Part 948

Intergovernmental relations, Surface mining, Underground mining.

Dated: June 28, 1998.

Allen D. Klein,

Regional Director, Appalachian Regional Coordinating Center.

For the reasons set out in the preamble, Title 30, Chapter VII, Subchapter T of the Code of Federal Regulations is amended as set forth below:

PART 948—WEST VIRGINIA

1. The authority citation for part 948 continues to read as follows:

Authority: 30 U.S.C. 1201 *et seq.*

2. Section 948.15 is amended in the table by adding a new entry in chronological order by ''Date of Final Publication'' to read as follows:

§ 948.15 Approval of West Virginia regulatory program amendments.

* * * * *

Original amendment submission date	Date of final publication	Citation/description
*	*	*
February 23, 1998.	July 14, 1998	WV Code Sections 22B–1–7(d), 7(h); 22B–3–4. WV Regulations CSR 38–2–1.2(c)(1). Vacating of retroactive approval published on February 21, 1996.

3. Section 948.16 is amended by removing and reserving paragraph (ppp), and by revising paragraphs (nnn) and (ooo) to read as follows:

§ 948.16 Required regulatory program amendments.

* * * * *

(nnn) By September 14, 1998, West Virginia must submit either a proposed amendment or a description of an amendment to be proposed, together with a timetable for adoption, to revise Section 22B–1–7(d) to remove unjust hardship as a criterion to support the granting of temporary relief from an order or other decision issued under Chapter 22, Article 3 of the West Virginia Code.

(ooo) By September 14, 1998, West Virginia must submit either a proposed amendment or a description of an amendment to be proposed, together with a timetable for adoption, to revise Section 22B–1–7(h) by removing reference to Article 3, Chapter 22.

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[FR Doc. 98–18738 Filed 7–13–98; 8:45 am]

BILLING CODE 4310–05–M

DEPARTMENT OF THE TREASURY

Financial Crimes Enforcement Network

31 CFR Part 103

RIN 1506–AA18

Amendments to the Bank Secrecy Act Regulations Regarding Reporting and Recordkeeping by Card Clubs; Correction

AGENCY: Financial Crimes Enforcement Network, Treasury.

ACTION: Final rule; correction.

SUMMARY: The Financial Crimes Enforcement Network (''FinCEN'') published in the **Federal Register** of January 13, 1998, a final rule amending the regulations implementing the statute generally referred to as the Bank Secrecy Act, to include certain gaming establishments, commonly called ''card clubs,'' ''card rooms,'' ''gaming clubs,'' or ''gaming rooms'' within the definition of financial institution subject to the Bank Secrecy Act. This document contains a correction to the preamble to the final rule.

DATES: Effective on August 1, 1998.

FOR FURTHER INFORMATION CONTACT: Leonard C. Senia, Senior Financial Enforcement Officer, Office of Program Development, Financial Crimes Enforcement Network, (703) 905–3931, or Cynthia L. Clark, Deputy Chief Counsel, Financial Crimes Enforcement Network, (703) 905–3758.

SUPPLEMENTARY INFORMATION: In FR Doc. 98–743, published in the **Federal**

Register of January 13, 1998, (63 FR 1919), the Office of Management and Budget (''OMB'') control number is incorrect. This correction replaces the incorrect OMB control number.

In rule FR Doc. 98–743, published on January 13, 1998, (63 FR 1919) make the following correction. On page 1923, in the first column, lines 2 and 3, remove the words ''control number 1506–0063'' and add the words ''control number 1505–0063 (redesignated by the Office of Management and Budget as 1506–0009).''

Dated: July 8, 1998.

Peter Djinis,

Acting Director,

Financial Crimes Enforcement Network.

[FR Doc. 98–18659 Filed 7–13–98; 8:45 am]

BILLING CODE 4820–03–P

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 4

RIN 2900–AI46

Schedule for Rating Disabilities: Cold Injuries

AGENCY: Department of Veterans Affairs.

ACTION: Final rule.

SUMMARY: This document amends the Department of Veterans Affairs (VA) Schedule for Rating Disabilities by revising the provisions governing evaluations for cold injury residuals. The intended effect of this amendment is to provide evaluation criteria based on current medical knowledge about the long-term effects of cold injury that can be applied to any part of the body affected by cold injury.

DATES: *Effective Date:* This amendment is effective August 13, 1998.

FOR FURTHER INFORMATION CONTACT: Caroll McBrine, M.D., Consultant, Regulations Staff (211B), Compensation and Pension Service, Veterans Benefits Administration, Department of Veterans Affairs, 810 Vermont Avenue NW, Washington, DC 20420, (202) 273–7230.

SUPPLEMENTARY INFORMATION: In the **Federal Register** of March 28, 1997 (62 FR 14832), we published a proposal to revise the provisions of VA's rating schedule (38 CFR part 4) governing evaluations for frozen feet (38 CFR 4.104, diagnostic code 7122). The purpose of the proposal was to update the evaluation criteria so that they would be consistent with current medical knowledge and encompass the broad range of residuals now known to result from cold injuries. We proposed to retitle the diagnostic code from residuals of frozen feet to residuals of cold injury, to indicate that body parts other than the feet could be included. We invited interested persons to submit written comments on the proposal.

As part of a final rule published in the **Federal Register** of December 11, 1997 (62 FR 65207), which revised the cardiovascular portion of the rating schedule (38 CFR 4.104), we adopted the revision proposed on March 28, 1997, with only minor changes. However, we had received comments from the Disabled American Veterans and two interested individuals in response to the March 28, 1997, notice of proposed rulemaking. This document responds to those comments and further revises the rating schedule provisions governing evaluations for cold injury residuals.

One commenter suggested that in rating decisions we change our method of ''coding'' disabilities associated with cold injury in order to identify the body system or specific body part affected, whether the affected body part is on the left or right side, and the percentage evaluation for each affected body part.

While the information the commenter asks us to include is part of the written rating decision, that information is not, nor does it need to be, reflected by the diagnostic code. The purpose of diagnostic codes is merely to identify disabilities for statistical purposes. Diagnostic codes are numbers assigned to each condition listed in the Schedule for Rating Disabilities. Citation to a diagnostic code in a rating decision identifies the rating criteria used to determine the evaluation assigned to a particular disability and facilitates VA statistical analysis. See 38 CFR 4.27. Adopting the commenter's suggestion would have no substantive effect on veterans' disability ratings. We therefore make no change in response to this comment.

Another commenter submitted a copy of a 1951 article entitled *Cold Injuries in Korea During Winter of 1950–51* by Lt. Col. K. D. Orr, M.C., and Capt. D. C. Fainer, M.C. The commenter maintains that the study reflected in the article, although flawed, is the basis of most thinking regarding cold injuries and has been used to miseducate doctors. The commenter suggested that, rather than focusing on ''frostbite,'' we take into account the impact of extreme cold on internal organs and define cold injury to include a broad range of conditions, including cardiovascular and respiratory conditions, which he contends are the long-term residuals of hypothermia.

There has been considerable research on cold injuries since 1951, when the article to which the commenter refers was published. Medical information reviewed in developing the Veterans Health Administration Information Letter (IL 10–96–030, December 31, 1996) concerning the care and examination of veterans with late effects of cold injuries was the medical basis for our revision of the evaluation criteria for frostbite. The 1951 Orr-Fainer article was not among the authorities cited in the information letter.

Another commenter stated that VA's Adjudication Procedures Manual, M21–1, Part VI, para. 11.20, mentions other signs and symptoms, such as joint pain and stiffness, weakness of hands or feet, Raynaud's phenomenon, and vascular insufficiency, that may represent chronic effects of cold injury. He recommended that we include all of these conditions in the evaluation criteria for cold injury (diagnostic code 7122) so that the criteria are as comprehensive as possible and do not omit any symptoms that could be attributed to cold injuries.

Simply because a condition *could* be the result of cold injury does not mean that it *is* the result of cold injury in a given claim. All of the conditions mentioned have other possible etiologies, and it will require a medical determination in each case to establish whether a condition claimed as a residual of a cold injury is the residual of a cold injury. Furthermore, there are so many conditions which could be residuals of cold injury, that should we attempt to provide a comprehensive list, we might inadvertently omit conditions that individual veterans might suffer as a result of cold injury. Some of the conditions mentioned by the commenter, e.g., Raynaud's phenomenon, might well warrant higher evaluations in their own right than the maximum evaluation of 30 percent allowed under diagnostic code 7122. Therefore, rather than including those conditions in the evaluation criteria for cold injuries, we have revised note (1) to indicate that such conditions may be evaluated separately unless they are used to support an evaluation under diagnostic code 7122.

The same commenter suggested that, since pain is one of the evaluation criteria for cold injury residuals, including arthralgia (joint pain) as well is redundant.

Since the medical concept that arthralgia may result from cold injury is relatively new, we believe it is important to specify that symptom in the evaluation criteria along with the less specific symptom of pain.

Nevertheless, we have revised that portion of the criteria to clarify that arthralgia is but one type of pain that will satisfy that evaluation criterion.

We have made several nonsubstantive technical corrections.

VA appreciates the comments submitted in response to the proposed rule. Based on the rationales presented in the March 28, 1997, notice of proposed rulemaking and the December 11, 1997, final rule that effected the proposed revision, we affirm the revision adopted in that final rule, except for the changes made in this final rule for the reasons explained above.

The Secretary hereby certifies that this final rule will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act, 5 U.S.C. 601–612. The reason for this certification is that this final rule will not directly affect any small entities. Only VA beneficiaries will be directly affected. Therefore, pursuant to 5 U.S.C. 605(b), this final rule is exempt from the initial and final regulatory flexibility analysis requirements of sections 603 and 604.

This final rule has been reviewed by the Office of Management and Budget under the provisions of Executive Order 12866, Regulatory Planning and Review, dated September 30, 1993.

The Catalog of Federal Domestic Assistance program numbers are 64.104 and 64.109.

List of Subjects in 38 CFR Part 4

Disability benefits, Individuals with disabilities, Pensions, Veterans.

Approved: June 30, 1998.

Togo D. West, Jr.,

Secretary of Veterans Affairs.

For the reasons set out in the preamble, 38 CFR part 4 is amended as set forth below:

PART 4—SCHEDULE FOR RATING DISABILITIES

1. The authority citation for part 4 continues to read as follows:

Authority: 38 U.S.C. 1155, unless otherwise noted.

Subpart B—Disability Ratings

2. Section 4.104 is amended by revising diagnostic code 7122 to read as follows:

§ 4.104 Schedule of ratings—cardiovascular system.

* * * * *

DISEASES OF THE ARTERIES AND VEINS

	Rating
* * * * *	
7122 Cold injury residuals:	
With the following in affected parts:	
Arthralgia or other pain, numbness, or cold sensitivity plus two or more of the following: tissue loss, nail abnormalities, color changes, locally impaired sensation, hyperhidrosis, X-ray abnormalities (osteoporosis, subarticular punched out lesions, or osteoarthritis)	30
Arthralgia or other pain, numbness, or cold sensitivity plus tissue loss, nail abnormalities, color changes, locally impaired sensation, hyperhidro sis, or X-ray abnormalities (osteoporosis, subarticular punched out lesions, or osteoarthritis)	20
Arthralgia or other pain, numbness, or cold sensitivity	10

Note (1): Separately evaluate amputations of fingers or toes, and complications such as squamous cell carcinoma at the site of a cold injury scar or peripheral neuropathy, under other diagnostic codes. Separately evaluate other disabilities that have been diagnosed as the residual effects of cold injury, such as Raynaud's phenomenon, muscle atrophy, etc., unless they are used to support an evaluation under diagnostic code 7122.

Note (2): Evaluate each affected part (e.g., hand, foot, ear, nose) separately and combine the ratings in accordance with §§ 4.25 and 4.26.

* * * * *

(Authority: 38 U.S.C. 1155)

[FR Doc. 98–18642 Filed 7–13–98; 8:45 am]

BILLING CODE 8320–01–P

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 17

RIN 2900–AJ34

Provision of Drugs and Medicines to Certain Veterans in State Homes

AGENCY: Department of Veterans Affairs.

ACTION: Interim final rule with request for comments.

SUMMARY: This document amends the ''Medical'' regulations concerning the provision of drugs and medicines prescribed by non-VA physicians for certain veterans who are permanently housebound or in need of regular aid and attendance. The regulations are amended to allow prescriptions to be filled by non-VA pharmacies in state homes under contract with VA for filling prescriptions for patients in state homes. This is consistent with VA's special relationship with state homes. It will eliminate duplication of services and will help improve timeliness for filling prescriptions in state homes.

DATES: Effective Date: July 14, 1998.

Comment Date: Comments must be received on or before September 14, 1998.

ADDRESSES: Mail or hand-deliver written comments to: Director, Office of Regulations Management (02D), Department of Veterans Affairs, 810 Vermont Ave., NW, Room 1154, Washington, DC 20420. Comments should indicate that they are submitted in response to ''RIN: 2900–AJ34.'' All written comments received will be available for public inspection at the above address in the Office of Regulations Management, Room 1158, between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday (except holidays).

FOR FURTHER INFORMATION CONTACT: Jeff Ramirez, Pharmacy Service (119), Veterans Health Administration, Department of Veterans Affairs, 810 Vermont Avenue NW, Washington, DC 20420, (202) 273–8428. (This is not a toll-free number.)

SUPPLEMENTARY INFORMATION: This document amends the ''Medical'' regulations set forth at 38 CFR Part 17. More specifically, it amends the provisions of § 17.96 which concern the criteria for providing drugs and medicines prescribed by non-VA physicians for certain veterans who are permanently housebound or in need of regular aid and attendance.

Prior to the effective date of this document § 17.96 stated:

Any prescription, which is not part of authorized Department of Veterans Affairs hospital or outpatient care, for drugs and medicines ordered by a private or non-Department of Veterans Affairs doctor of medicine or doctor of osteopathy duly licensed to practice in the jurisdiction where the prescription is written, shall be filled by a Department of Veterans Affairs pharmacy, provided:

(a) The prescription is for:

(1) A veteran who by reason of being permanently housebound or in need of regular aid and attendance is in receipt of increased compensation under 38 U.S.C. chapter 11, or increased pension under § 3.1(u) (Section 306 Pension) or § 3.1(w) (Improved Pension), of this title, as a veteran of the Mexican Border Period, World War I, World War II, the Korean Conflict, or the Vietnam Era (or, although eligible for such pension, is in receipt of compensation as the greater benefit), or

(2) A veteran in need of regular aid and attendance who was formerly in receipt of increased pension as described in paragraph (a)(1) of this section whose pension has been discontinued solely by reason of excess income, but only so long as such veteran's annual income does not exceed the maximum annual income limitation by more than $1,000, and

(b) The drugs and medicines are prescribed as specific therapy in the treatment of any of the veteran's illnesses or injuries.

This document amends § 17.96 to allow prescriptions to be filled by non-VA pharmacies in state homes under contract with VA for filling prescriptions for patients in state homes. State home pharmacies are fully operational facilities that in many cases can efficiently meet the needs of veterans in the state homes. This action is consistent with VA's special relationship with state homes. It will eliminate duplication of services and will help improve timeliness for filling prescriptions in state homes.

Administrative Procedure Act

This document is published without regard to the notice and comment and effective date provisions of 5 U.S.C. 553 since it pertains to agency management.

Regulatory Flexibility Act

The Secretary hereby certifies that the adoption of this interim final rule will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act, 5 U.S.C. 601–612.

The rule at the most will have only a minuscule economic effect on any small entity. Therefore, pursuant to 5 U.S.C. 605(b), this interim final rule is exempt from the initial and final regulatory flexibility analyses requirements of §§ 603 and 604.

Catalog of Federal Domestic Assistance Program Number

The Catalog of Federal Domestic Assistance program number for this document is 64.012.

List of Subjects in 38 CFR Part 17

Administrative practice and procedure, Alcohol abuse, Alcoholism, Claims, Day care, Dental health, Drug abuse, Foreign relations, Government contracts, Grant programs-health, Grant programs-veterans, Health care, Health facilities, Health professions, Health records, Homeless, Medical and dental schools, Medical devices, Medical research, Mental health programs, Nursing homes, Philippines, Reporting and recordkeeping requirements, Scholarships and fellowships, Travel and transportation expenses, Veterans.

Approved: June 30, 1998.

Togo D. West, Jr.,

Secretary of Veterans Affairs.

For the reasons set forth above, 38 CFR part 17 is amended as set forth below:

PART 17—MEDICAL

1. The authority citation for part 17 continues to read as follows:

Authority: 38 U.S.C. 501, 1721, unless otherwise noted.

2. In § 17.96, the introductory text is amended by removing ''pharmacy'' and adding, in its place, ''pharmacy or a non-VA pharmacy in a state home under contract with VA for filling prescriptions for patients in state homes''; the authority citation at the end of paragraph (a) is removed; and an authority citation is added at the end of the section to read as follows:

§ 17.96 Prescriptions filled.

* * * * *

(Authority: 38 U.S.C. 1712 (d))

[FR Doc. 98–18644 Filed 7–13–98; 8:45 am]

BILLING CODE 8320–01–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Parts 261 and 279

[FRL–6123–3]

RIN 2050–AE47

Hazardous Waste Management System; Identification and Listing of Hazardous Waste; Recycled Used Oil Management Standards

AGENCY: Environmental Protection Agency.

ACTION: Removal of direct final rule amendments.

SUMMARY: Today's rule removes three amendments to the used oil management standards originally included in the direct final rule of May 6, 1998 and restores the regulatory text that existed prior to the direct final rule. The Agency received relevant adverse comment on three provisions of this rule which deal with mixtures of conditionally exempt small quantity generator waste and used oil, the applicability of the used oil management standards to used oil contaminated with polychlorinated biphenyls (PCBs), and record keeping requirements for marketers of used oil meeting the used oil fuel specification. EPA will consider the comments received as it finalizes the remaining amendments in the near future.

EFFECTIVE DATE: July 14, 1998.

ADDRESSES: Public comments and supporting materials are available for viewing in the RCRA Information Center (RIC), located at Crystal Gateway I, First Floor, 1235 Jefferson Davis Highway, Arlington, VA. The Docket Identification Number is F–98-CUOP-FFFFF. The RIC is open from 9 a.m. to 4 p.m., Monday through Friday, excluding federal holidays. To review docket materials, it is recommended that the public make an appointment by calling (703) 603–9230. The public may copy a maximum of 100 pages from any regulatory docket at no charge. Additional copies cost $0.15/page. The index and some supporting materials are available electronically. See the **SUPPLEMENTARY INFORMATION** section for information on accessing them.

FOR FURTHER INFORMATION CONTACT: RCRA Hotline. For general information, contact the RCRA Hotline at (800) 424–9346 or TDD (800) 553–7672 (hearing impaired). In the Washington, DC metropolitan area, call (703) 412–9810 or TDD (703) 412–3323.

Rulemaking Details. For more detailed information on specific aspects of this rulemaking, contact Tom Rinehart by mail at Office of Solid Waste (5304W), U.S. Environmental Protection Agency, 401 M Street, SW, Washington, DC 20460, by phone at (703) 308–4309, or by Internet e-mail at rinehart.tom@epamail.epa.gov.

SUPPLEMENTARY INFORMATION:

Withdrawal of Amendments that Received Relevant Adverse Comment

On May 6, 1998, EPA issued a direct final rule (63 FR 24963) which included eight amendments clarifying various parts of the used oil management standards and provisions of the hazardous waste regulations concerning used oil. EPA also issued a notice of proposed rulemaking on May 6, 1998 (63 FR 25006), in which the Agency proposed and solicited public comment on the same eight amendments. EPA received relevant adverse comments on three of the amendments in this rulemaking: the amendments to 40 CFR 261.5(j) (mixtures of conditionally exempt small quantity generator waste and used oil), 40 CFR 279.10(i) (applicability of the used oil management standards to used oil contaminated with polychlorinated biphenyls (PCBs)), and 40 CFR 279.74(b) (recordkeeping requirements for marketers of used oil that meets the used oil fuel specification). Accordingly, today's document removes

these three amendments and reinstates the regulatory text that existed prior to the May 6, 1998 direct final rule. EPA finds that good cause exists under 5 U.S.C. 553(b) to promulgate today's rule in final form, because this rule reinstates regulatory requirements currently in effect. EPA will promulgate a final rule in the near future finalizing the three amendments, as appropriate, and addressing the comments received. The five amendments that did not receive relevant adverse comment became effective on July 6, 1998 as provided in the May 6, 1998 direct final rule.

EPA also received supportive comments on the three amendments being removed as well as the other amendments issued in the May 6, 1998 direct final rule. All of the comments received on the May 6, 1998 direct final rule are available on the Internet as described below and at the RCRA Information Center identified in the **ADDRESSES** section above.

Internet Availability

Today's rule, the comments received on the May 6, 1998 direct final rule and proposal (63 FR 24963 and 25006), and the following supporting materials are available on the Internet:

Docket Item: Petition for Review.
From: Edison Electric Institute, et al.
To: U.S. Court of Appeals for the District of Columbia Circuit.

Docket Item: Petitioners' Preliminary and Non-binding Statement of Issues to be Raised on Appeal.
From: Edison Electric Institute, et al.
To: U.S. Court of Appeals for the District of Columbia Circuit.

Docket Item: Letter describing Edison Electric Institute's outstanding issues and proposals for resolving these issues.
From: Edison Electric Institute, et al.
To: U.S. Environmental Protection Agency.

Docket Item: Letter describing Edison Electric Institute's issues including a request that EPA issue a technical correction to 40 CFR 279.10(i).
From: Edison Electric Institute, et al.
To: U.S. Environmental Protection Agency.

Docket Item: Letter requesting that EPA resolve outstanding issues.
From: Edison Electric Institute, et al.
To: U.S. Environmental Protection Agency.

Docket Item: Settlement Agreement.
From: Edison Electric Institute, et al, U.S. Environmental Protection Agency, and U.S. Department of Justice.
To: U.S. Court of Appeals for the District of Columbia Circuit.

Docket Item: Memorandum that describes an abbreviated state authorization revision application procedure for state rule changes in response to minor federal rule changes or corrections.
From: Michael Shapiro, Director, Office of Solid Waste, EPA.
To: EPA Regional Waste Management Division Directors.

Follow these instructions to access this information electronically: WWW URL: http://www.epa.gov/epaoswer/hazwaste/usedoil/index.htm.

FTP: ftp.epa.gov.
Login: anonymous.
Password: your Internet e-mail address.
Path: /pub/epaoswer.

Note: The official record for this action will be kept in paper form and maintained at the address in the **ADDRESSES** section above.

I. Regulatory Requirements

A. Analysis Under Executive Order 12866, Executive Order 12875, the Paperwork Reduction Act, National Technology Transfer and Advancement Act of 1995, and Executive Order 13045

Today's rule removes three amendments issued as part of the May 6, 1998 direct final rule and reinstates the regulatory text that existed prior to the May 6, 1998 direct final rule and that was in effect until July 6, 1998. Today's action is not a ''significant regulatory action'' for the purposes of Executive Order 12866, and is therefore not subject to review by the Office of Management and Budget. Today's rule also does not impose obligations on State, local or tribal governments for the purposes of Executive Order 12875.

Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (NTTAA), Pub L. No. 104–113, section 12(d) (15 U.S.C. 272 note) directs EPA to use voluntary consensus standards in its regulatory activities unless to do 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. The NTTAA directs EPA to provide Congress, through OMB, explanations when the Agency decides not to use available and applicable voluntary consensus standards. Neither this action nor the direct final rule involve technical standards. Therefore, EPA did not consider the use of any voluntary standards in this rulemaking. Today's rule is not subject to E.O. 13045, entitled ''Protection of Children from Environmental Health Risks and Safety Risks'' (62 FR 19885, April 23, 1997), because this action is not an economically significant rule, and it does not involve decisions on environmental health risks or safety risks that may disproportionately affect children. Under the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.*, EPA must consider the paperwork burden imposed by any information collection request in a proposed or final rule. This rule will not impose any new information collection requirements.

B. Submission to Congress and the General Accounting Office

Under 5 U.S.C. 801(a)(1)(A), EPA submitted 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 General Accounting Office prior to publication of the rule in today's **Federal Register**. This rule is not a ''major rule'' as defined by 5 U.S.C. 804(2).

II. Immediate Effective Date

Because the regulated community does not need 6 months to come into compliance with this rule, EPA finds, pursuant to RCRA section 3010(b)(1), that this rule can be made effective in less than six months. Also, EPA finds that good cause exists under 5 U.S.C. 553(d)(3) to waive the requirement that regulations be published at least 30 days before they become effective, because this rule reinstates regulatory requirements.

List of Subjects

40 CFR Part 261

Environmental protection, Hazardous waste, Recycling, Reporting and recordkeeping requirements.

40 CFR Part 279

Conditionally exempt small quantity generator (CESQG), Environmental protection, Hazardous waste, Polychlorinated biphenyls (PCBs), Solid waste, Recycling, Response to releases, Used oil, Used oil specification.

Dated: July 6, 1998.

Carol M. Browner,
Administrator.

For the reasons set out in the preamble, chapter I of title 40 of the Code of Federal Regulations is amended as follows:

PART 261—IDENTIFICATION AND LISTING OF HAZARDOUS WASTE

1. The authority citation for part 261 continues to read as follows:

Authority: 42 U.S.C. 6905, 6912(a), 6921–6927, 6930, 6934, 6935, 6937, 6938, 6939, and 6974.

2. Section 261.5 is amended by revising paragraph (j) to read as follows:

§ 261.5 Special requirements for hazardous waste generated by conditionally exempt small quantity generators.

* * * * *

(j) If a conditionally exempt small quantity generator's wastes are mixed with used oil, the mixture is subject to part 279 of this chapter if it is destined to be burned for energy recovery. Any material produced from such a mixture by processing, blending, or other treatment is also so regulated if it is destined to be burned for energy recovery.

PART 279—STANDARDS FOR THE MANAGEMENT OF USED OIL

3. The authority citation for part 279 continues to read as follows:

Authority: Sections 1006, 2002(a), 3001 through 3007, 3010, 3014, and 7004 of the Solid Waste Disposal Act, as amended (42 U.S.C. 6905, 6912(a), 6921 through 6927, 6930, 6934, and 6974); and sections 101(37) and 114(c) of CERCLA (42 U.S.C. 9601(37) and 9614(c)).

4. Section 279.10 is amended by revising paragraph (i) to read as follows:

§ 279.10 Applicability.

* * * * *

(i) *Used oil containing PCBs.* In addition to the requirements of this part, marketers and burners of used oil who market used oil containing any quantifiable level of PCBs are subject to the requirements found at 40 CFR 761.20(e).

5. Section 279.74 is amended by revising paragraph (b) to read as follows:

§ 279.74 Tracking.

* * * * *

(b) *On-specification used oil delivery.* A generator, transporter, processor/re-refiner, or burner who first claims that used oil that is to be burned for energy recovery meets the fuel specifications under § 279.11 must keep a record of each shipment of used oil to an on-specification used oil burner. Records for each shipment must include the following information:

(1) The name and address of the facility receiving the shipment;

(2) The quantity of used oil fuel delivered;

(3) The date of shipment or delivery; and

(4) A cross-reference to the record of used oil analysis or other information used to make the determination that the oil meets the specification as required under § 279.72(a).

* * * * *

[FR Doc. 98–18423 Filed 7–13–98; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 300

[FRL–6123–6]

National Oil and Hazardous Substances Contingency Plan; National Priorities List Update

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of deletion of the Novaco Industries Superfund site from the National Priorities List (NPL).

SUMMARY: The Environmental Protection Agency (EPA) announces the deletion of the Novaco Industries Site in Michigan from the National Priorities List (NPL). The NPL is Appendix B of 40 CFR part 300 which is the National Oil and Hazardous Substances Contingency Plan (NCP), which EPA promulgated pursuant to section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended. This action is being taken by EPA and the State of Michigan, because it has been determined that Responsible Parties have implemented all appropriate response actions required. Moreover, EPA and the State of Michigan have determined that remedial actions conducted at the site to date remain protective of public health, welfare, and the environment.

EFFECTIVE DATE: July 14, 1998.

FOR FURTHER INFORMATION CONTACT: Russell Hart at (312) 886–4844 (SR–6J), Remedial Project Manager or Gladys Beard at (312) 886–7253, Associate Remedial Project Manager, Superfund Division, U.S. EPA—Region V, 77 West Jackson Blvd., Chicago, IL 60604. Information on the site is available at the local information repository located at: The Bedford Township Hall and Monroe County Library-Bedford, Bedford, Michigan. Requests for comprehensive copies of documents should be directed formally to the Regional Docket Office. The contact for the Regional Docket Office is Jan Pfundheller (H–7J), U.S. EPA, Region V, 77 W. Jackson Blvd., Chicago, IL 60604, (312) 353–5821.

SUPPLEMENTARY INFORMATION: The site to be deleted from the NPL is: Novaco Industries Site located in Temperance, Michigan. A Notice of Intent to Delete for this site was published May 27, 1998 (63 FR 28961). The closing date for comments on the Notice of Intent to Delete was June 26, 1998. EPA received no comments and therefore no Responsiveness Summary was prepared.

The EPA identifies sites which appear to present a significant risk to public health, welfare, or the environment and it maintains the NPL as the list of those sites. Sites on the NPL may be the subject of Hazardous Substance Response Trust Fund (Fund-) financed remedial actions. Any site deleted from the NPL remains eligible for Fund-financed remedial actions in the unlikely event that conditions at the site warrant such action. Section 300.425(e)(3) of the NCP states that Fund-financed actions may be taken at sites deleted from the NPL in the unlikely event that conditions at the site warrant such action. Deletion of a site from the NPL does not affect responsible party liability or impede agency efforts to recover costs associated with response efforts.

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.

Dated: July 1, 1998.

David Ullrich,

Acting Regional Administrator, Region V.

40 CFR part 300 is amended as follows:

PART 300—[AMENDED]

1. The authority citation for part 300 continues to read as follows:

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.

Appendix B [Amended]

2. Table 1 of Appendix B to part 300 is amended by removing the Site ''Novaco Industries, Temperance, Michigan.''

[FR Doc. 98–18588 Filed 7–13–98; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Part 64

[Docket No. FEMA–7691]

List of Communities Eligible for the Sale of Flood Insurance

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Final rule.

SUMMARY: This rule identifies communities participating in the National Flood Insurance Program (NFIP). These communities have applied to the program and have agreed to enact certain floodplain management measures. The communities' participation in the program authorizes the sale of flood insurance to owners of property located in the communities listed.

EFFECTIVE DATES: The dates listed in the third column of the table.

ADDRESSES: Flood insurance policies for property located in the communities listed can be obtained from any licensed property insurance agent or broker serving the eligible community, or from the NFIP at: Post Office Box 6464, Rockville, MD 20849, (800) 638–6620.

FOR FURTHER INFORMATION CONTACT: Robert F. Shea, Jr., Division Director, Program Implementation Division, Mitigation Directorate, 500 C Street SW., room 417, Washington, DC 20472, (202) 646–3619.

SUPPLEMENTARY INFORMATION: The NFIP enables property owners to purchase flood insurance which is generally not otherwise available. In return, communities agree to adopt and administer local floodplain management measures aimed at protecting lives and new construction from future flooding. Since the communities on the attached list have recently entered the NFIP, subsidized flood insurance is now available for property in the community.

In addition, the Associate Director of the Federal Emergency Management Agency has identified the special flood hazard areas in some of these communities by publishing a Flood Hazard Boundary Map (FHBM) or Flood Insurance Rate Map (FIRM). The date of the flood map, if one has been published, is indicated in the fourth column of the table. In the communities listed where a flood map has been published, Section 102 of the Flood Disaster Protection Act of 1973, as amended, 42 U.S.C. 4012(a), requires the purchase of flood insurance as a condition of Federal or federally related financial assistance for acquisition or construction of buildings in the special flood hazard areas shown on the map.

The Associate Director finds that the delayed effective dates would be contrary to the public interest. The Associate Director also finds that notice and public procedure under 5 U.S.C. 553(b) are impracticable and unnecessary.

National Environmental Policy Act

This rule is categorically excluded from the requirements of 44 CFR Part 10, Environmental Considerations. No environmental impact assessment has been prepared.

Regulatory Flexibility Act

The Associate Director certifies that this rule will not have a significant economic impact on a substantial number of small entities in accordance with the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, because the rule creates no additional burden, but lists those communities eligible for the sale of flood insurance.

Regulatory Classification

This final 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.

Paperwork Reduction Act

This rule does not involve any collection of information for purposes of the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.*

Executive Order 12612, Federalism

This rule involves no policies that have federalism implications under Executive Order 12612, Federalism, October 26, 1987, 3 CFR, 1987 Comp., p. 252.

Executive Order 12778, Civil Justice Reform

This rule meets the applicable standards of section 2(b)(2) of Executive Order 12778, October 25, 1991, 56 FR 55195, 3 CFR, 1991 Comp., p. 309.

List of Subjects in 44 CFR Part 64

Flood insurance, Floodplains.

Accordingly, 44 CFR part 64 is amended as follows:

PART 64—[AMENDED]

1. The authority citation for part 64 continues to read as follows:

Authority: 42 U.S.C. 4001 *et seq.*, Reorganization Plan No. 3 of 1978, 3 CFR, 1978 Comp., p. 329; E.O. 12127, 44 FR 19367, 3 CFR, 1979 Comp., p. 376.

§ 64.6 [Amended]

2. The tables published under the authority of § 64.6 are amended as follows:

State/location	Community No.	Effective date of eligibility	Current effective map date
New Eligibles—Emergency Program			
Michigan:			
Marlette, township of, Sanilac County	261022	May 6, 1998.	
South Branch, township of, Crawford County	261021	.....do.	
Washington: Quileute Indian Tribe, Clallam County	530335	May 8, 1998.	
Georgia: McDuffie County, unincorporated areas	130357	May 26, 1998	March 26, 1976.
Iowa: Eagle Grove, city of, Wright County	190928	.....do.	
Kentucky: Walton, city of, Boone County	210379	May 28, 1998.	
Montana: Dawson County, unincorporated areas	300140	.....do.	
New Eligibles—Regular Program			
Texas: [1] Bulverde North, city of, Comal County	481683	May 12, 1998	July 17, 1995.
Georgia: Abbeville, city of, Wilcox County	130195	May 26, 1998	September 20, 1996.
Iowa: Spring Hill, city of, Warren County	190949	.....do	NSFHA.
Missouri: Westwood, village of, St. Louis County	290396	.....do	August 2, 1995.
Reinstatements			
Connecticut: Canterbury, town of, Windham County	090183	August 5, 1976, Emerg: October 16, 1984, Reg: October 16, 1984, Susp: May 5, 1998, Rein:.	October 16, 1984.

State/location	Community No.	Effective date of eligibility	Current effective map date
Michigan: Chesaning, village of, Saginaw County	260591	September 20, 1982, Reg: October 16, 1997, Susp: May 11, 1998, Rein:.	October 16, 1997.
Regular Program Conversions			
Region III			
Pennsylvania: Kennett Square, borough of, Chester County.	420280	May 4, 1998, Suspension Withdrawn	May 4, 1998.
Region I			
Connecticut: New Britain, city of, Hartford County	090032	May 18, 1998, Supension Withdrawn	May 18, 1998.
Maine: Alfred, town of, York County	230191	.....do	Do.
New Hampshire: Bristol, town of, Grafton County	330047	.....do	Do.
Region II			
New York: South Bristol, town of, Ontario County	360606	.....do	Do.
Region IV			
Mississippi: Laurel, city of, Jones County	280092	.....do	Do.
North Carolina: High Point, city of, Davidson, Guilford, Randolph Counties.	370113	.....do	Do.
Tennessee:			
Eagleville, city of, Rutherford County	470166	.....do	Do.
La Vergne, city of, Rutherford County	470167	.....do	Do.
Rutherford County, unincorporated areas	470165	.....do	Do.
Region V			
Michigan: Grosse Point, city of, Wayne County	260230	.....do	Do.

[1] The City of Bulverde North has adopted the Comal County (CID) #485463) Flood Insurance Rate Map dated July 17, 1995.
Code for reading third column: Emerg.—Emergency; Reg.—Regular; Rein.—Reinstatement; Susp.—Suspension; With.—Withdrawn; NSFHA—Non Special Flood Hazard Area.

(Catalog of Federal Domestic Assistance No. 83.100, ''Flood Insurance'')

Issued: July 2, 1998.

Michael J. Armstrong,

Associate Director for Mitigation.

[FR Doc. 98–18721 Filed 7–13–98; 8:45 am]

BILLING CODE 6718–05–P

FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Part 65

Changes in Flood Elevation Determinations

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Final rule.

SUMMARY: Modified base (1% annual chance) flood elevations are finalized for the communities listed below. These modified elevations will be used to calculate flood insurance premium rates for new buildings and their contents.

EFFECTIVE DATES: The effective dates for these modified base flood elevations are indicated on the following table and revise the Flood Insurance Rate Map(s) in effect for each listed community prior to this date.

ADDRESSES: The modified 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: Matthew B. Miller, P.E., Chief, Hazards Study Branch, Mitigation Directorate, 500 C Street SW., Washington, DC 20472, (202) 646–3461.

SUPPLEMENTARY INFORMATION: The Federal Emergency Management Agency makes the final determinations listed below of the final determinations of modified base flood elevations for each community listed. These modified elevations have been published in newspapers of local circulation and ninety (90) days have elapsed since that publication. The Associate Director has resolved any appeals resulting from this notification.

The modified base flood elevations are not listed for each community in this notice. However, this rule includes the address of the Chief Executive Officer of the community where the modified base flood elevation determinations are available for inspection.

The modifications are made pursuant to Section 206 of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4105, and are in accordance with the National Flood Insurance Act of 1968, 42 U.S.C. 4001 *et seq.*, and with 44 CFR part 65.

For rating purposes, the currently effective community number is shown and must be used for all new policies and renewals.

The modified base flood elevations are the basis for the floodplain management measures that the community is required to either adopt or to show evidence of being already in effect in order to qualify or to remain qualified for participation in the National Flood Insurance Program (NFIP).

These modified 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 modified 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.

The changes in base flood elevations are in accordance with 44 CFR 65.4.

National Environmental Policy Act

This 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 Associate Director for Mitigation certifies that this rule is exempt from the requirements of the Regulatory Flexibility Act because modified base flood elevations are required by the Flood Disaster Protection Act of 1973, 42 U.S.C. 4105, and are required to maintain community eligibility in the NFIP. No regulatory flexibility analysis has been prepared.

Regulatory Classification

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

Executive Order 12778, Civil Justice Reform

This rule meets the applicable standards of Section 2(b)(2) of Executive Order 12778.

List of Subjects in 44 CFR Part 65

Flood insurance, Floodplains, Reporting and recordkeeping requirements.

Accordingly, 44 CFR Part 65 is amended to read as follows:

PART 65—[AMENDED]

1. The authority citation for Part 65 continues to read as follows:

Authority: 42 U.S.C. 4001 *et seq.*; Reorganization Plan No. 3 of 1978, 3 CFR, 1978 Comp., p. 329; E.O. 12127, 44 FR 19367, 3 CFR, 1979 Comp., p. 376.

§ 65.4 [Amended]

2. The tables published under the authority of § 65.4 are amended as follows:

State and county	Location	Dates and name of newspaper where notice was published	Chief executive officer of community	Effective date of modification	Community No.
Arkansas: Washington (FEMA Docket No. 7240).	City of Springdale	January 9, 1998, January 16, 1998, *The Morning News*.	The Honorable Charles McKinney, Mayor, City of Springdale, Administration Building, 201 Spring Street, Springdale, Arkansas 72764.	December 11, 1997.	050219
California: Contra Costa (FEMA Docket No. 7240).	City of Antioch	January 21, 1998, January 28, 1998, *Antioch Ledger Dispatch*.	The Honorable Mary Rocha, Mayor, City of Antioch, P.O. Box 5007, Antioch, California 94531–5007.	December 17, 1997.	060026
California: San Bernardino (FEMA Docket No. 7240).	City of Ontario	January 14, 1998, January 21, 1998, *Inland Valley Daily Bulletin*.	The Honorable James Fatland, Mayor, City of Ontario, 303 East B Street, Ontario, California 91764.	November 20, 1997.	060278
California: Los Angeles (FEMA Docket No. 7240).	City of Redondo Beach.	January 15, 1998, January 22, 1998, *Redondo Reflex/South Bay Extra*.	The Honorable Gregory C. Hill, Mayor, City of Redondo Beach, 415 Diamond Street, Redondo Beach, California 90277.	December 15, 1997.	060150
California: Shasta (FEMA Docket No. 7240).	City of Redding ...	January 15, 1998, January 22, 1998, *Record Searchlight*.	The Honorable Patricia Anderson, Mayor, City of Redding, 760 Parkview Avenue, Redding, California 96001.	April 22, 1998	060360
California: Santa Clara (FEMA Docket No. 7240).	City of San Jose ..	January 16, 1998, January 23, 1998, *San Jose Mercury News*.	The Honorable Susan Hammer, Mayor, City of San Jose, 801 North First Street, Room 600, San Jose, California 95110.	December 4, 1997	060349
California: Santa Barbara (FEMA Docket No. 7240).	Unincorporated Areas.	January 23, 1998, January 30, 1998, *Santa Barbara News-Press*.	The Honorable Naomi Schwartz, Chairperson, Santa Barbara County Board of Supervisors, 105 West Anapamu Street, Santa Barbara, California 93101.	January 7, 1998 ..	060331
California: Santa Clara (FEMA Docket No. 7240).	Unincorporated Areas.	January 16, 1998, January 23, 1998, *San Jose Mercury News*.	The Honorable James T. Beall, Jr., Chairman, Santa Clara County, Board of Supervisors, 70 West Hedding Street, East Wing, Tenth Floor, San Jose, California 95110.	December 4, 1997	060337
California: Los Angeles (FEMA Docket No. 7240).	City of Torrance ..	January 15, 1998, January 22, 1998, *Daily Breeze*.	The Honorable Dee Hardison, Mayor, City of Torrance, 3031 Torrance Boulevard, Torrance, California 90503.	December 15, 1997.	060165
Nevada: Clark (FEMA Docket No. 7240).	City of North Las Vegas.	January 8, 1998, January 15, 1998, *Las Vegas Review Journal*.	The Honorable Michael Montandon, Mayor, City of North Las Vegas, P.O. Box 4086, North Las Vegas, Nevada 89036.	November 20, 1997.	320007
New Mexico: Bernalillo (FEMA Docket No. 7240).	City of Albuquerque.	January 13, 1998, January 20, 1998, *Albuquerque Journal*.	The Honorable Jim Baca, Mayor, City of Albuquerque, P.O. Box 1293, Albuquerque, New Mexico 87103–1293.	November 24, 1997.	350002

State and county	Location	Dates and name of newspaper where notice was published	Chief executive officer of community	Effective date of modification	Community No.
New Mexico: Bernalillo (FEMA Docket No. 7240).	Unincorporated Areas.	January 23, 1998, January 30, 1998, *Albuquerque Journal*.	The Honorable Tom Rutherford, Chairman, Bernalillo County Board of Commissioners, 2400 Broadway Southeast, Albuquerque, New Mexico 87102.	December 22, 1997.	350001
Oklahoma: Oklahoma (FEMA Docket No. 7240).	City of Edmond ...	January 15, 1998, January 22, 1998, *The Edmond Evening Sun*.	The Honorable Bob Rudkin, Mayor, City of Edmond, P.O. Box 202, Edmond, Oklahoma 73083.	December 2, 1997	400252
Oregon: Lincoln (FEMA Docket No. 7240).	Unincorporated Areas.	January 7, 1998, January 14, 1998, *News Guard*.	The Honorable Don Lindly, Chairman, Lincoln County Board of Commissioners, 225 West Olive, Room 110, Newport, Oregon 97365.	December 10, 1997.	410129
Texas: Johnson (FEMA Docket No. 7240).	City of Burleson ...	January 14, 1998, January 21, 1998, *Burleson Star*.	The Honorable Rick Roper, Mayor, City of Burleson, City Hall, 141 West Renfro, Burleson, Texas 76028.	December 8, 1997	485459
Texas: Bexar (FEMA Docket No. 7240).	City of Castle Hills	January 8, 1998, January 15, 1998, *San Antonio Express News*.	The Honorable Marty Rubin, Mayor, City of Castle Hills, 6915 West Avenue, San Antonio, Texas 78213.	December 2, 1997	480037
Texas: Montgomery (FEMA Docket No. 7240).	City of Conroe	January 23, 1998, January 30, 1998, *Conroe Courier*.	The Honorable Carter Moore, Mayor, City of Conroe, P.O. Box 3066, Conroe, Texas 77305.	January 8, 1998 ..	480484
Texas: Tarrant, Dallas, and Ellis (FEMA Docket No. 7240).	City of Grand Prairie.	January 15, 1998, January 22, 1998, *Grand Prairie News*.	The Honorable Charles England, Mayor, City of Grand Prairie, P.O. Box 534045, Grand Prairie, Texas 75053–4045.	December 12, 1997.	485472
Texas: Tarrant (FEMA Docket No. 7240).	City of Grand Prairie.	January 22, 1998, January 29, 1998, *Grand Prairie News*.	The Honorable Charles England, Mayor, City of Grand Prairie, P.O. Box 534045, Grand Prairie, Texas 75053–4045.	December 30, 1997.	485472
Texas: Harris (FEMA Docket No. 7240).	Unincorporated Areas.	January 22, 1998, January 29, 1998, *Houston Chronicle*.	The Honorable Robert Eckels, Harris County Judge, 1001 Preston Street, Suite 911, Houston, Texas 77002.	January 9, 1998 ..	480287
Texas: Dallas (FEMA Docket No. 7240).	City of Irving	January 22, 1998, January 29, 1998, *Irving News*.	The Honorable Morris H. Parrish, Mayor, City of Irving, P.O. Box 152288, Irving, Texas 75015–2288.	January 9, 1998 ..	480180
Texas: Johnson (FEMA Docket No. 7240).	Unincorporated Areas.	January 14, 1998, January 21, 1998, *Burleson Star*.	The Honorable Roger Harmon, Johnson County Judge, Johnson County Courthouse, #2 Main Street, Cleburne, Texas 76031.	December 8, 1997	480879
Texas: Bexar (FEMA Docket No. 7240).	City of San Antonio.	January 13, 1998, January 20, 1998, *San Antonio Express-News*.	The Honorable Howard W. Peak, Mayor, City of San Antonio, P.O. Box 839966, San Antonio, Texas 78283–3966.	April 20, 1998	480045
Texas: Bexar (FEMA Docket No. 7240).	City of San Antonio.	January 8, 1998, January 15, 1998, *San Antonio Express-News*.	The Honorable Howard W. Peak, Mayor, City of San Antonio, P.O. Box 839966, San Antonio, Texas 78283–3966.	December 2, 1997	480045
Texas: Tarrant (FEMA Docket No. 7240).	City of Watauga ..	January 13, 1998, January 20, 1998, *Fort Worth Star-Telegram*.	The Honorable Hector Garcia, Mayor, City of Watauga, 7101 Whitley Road, Watauga, Texas 76148.	December 5, 1997	480613
Utah: Salt Lake (FEMA Docket No. 7240).	Unincorporated Areas.	January 14, 1998, January 21, 1998, *The Salt Lake Tribune*.	The Honorable Randy Horiuchi, Salt Lake County Commissioner, Salt Lake County, 2001 South State Street, Suite N2100, Salt Lake City, Utah 84190–1000.	December 17, 1997.	490102

(Catalog of Federal Domestic Assistance No. 83.100, ''Flood Insurance'')

Dated: July 7, 1998.

Michael J. Armstrong,

Associate Director for Mitigation.

[FR Doc. 98–18722 Filed 7–13–98; 8:45 am]

BILLING CODE 6718–04–P

FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Part 67

Final Flood Elevation Determinations

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Final rule.

SUMMARY: Base (1% annual chance) flood elevations and modified base flood elevations are made final for the communities listed below. The base flood elevations and modified base flood elevations are the basis for the floodplain management measures that

each 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).

EFFECTIVE DATE: The date of issuance of the Flood Insurance Rate Map (FIRM) showing base flood elevations and modified base flood elevations for each community. This date may be obtained by contacting the office where the FIRM is available for inspection as indicated in the table below.

ADDRESSES: The final 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 table below.

FOR FURTHER INFORMATION CONTACT: Matthew B. Miller, P.E., Chief, Hazards Study Branch, Mitigation Directorate, 500 C Street SW., Washington, DC 20472, (202) 646–3461.

SUPPLEMENTARY INFORMATION: The Federal Emergency Management Agency makes final determinations listed below of base flood elevations and modified base flood elevations for each community listed. The proposed base flood elevations and proposed modified base flood elevations were published in newspapers of local circulation and an opportunity for the community or individuals to appeal the proposed determinations to or through the community was provided for a period of ninety (90) days. The proposed base flood elevations and proposed modified base flood elevations were also published in the **Federal Register**.

This final rule is issued in accordance with Section 110 of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4104, and 44 CFR part 67.

FEMA has developed criteria for floodplain management in floodprone areas in accordance with 44 CFR Part 60.

Interested lessees and owners of real property are encouraged to review the proof Flood Insurance Study and FIRM available at the address cited below for each community.

The base flood elevations and modified base flood elevations are made final in the communities listed below. Elevations at selected locations in each community are shown.

National Environmental Policy Act

This 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 Associate Director for Mitigation certifies that this rule is exempt from the requirements of the Regulatory Flexibility Act because final 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 NFIP. No regulatory flexibility analysis has been prepared.

Regulatory Classification

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

Executive Order 12778, Civil Justice Reform

This rule meets the applicable standards of Section 2(b)(2) of Executive Order 12778.

List of Subjects in 44 CFR Part 67

Administrative practice and procedure, Flood insurance, Reporting and recordkeeping requirements.

Accordingly, 44 CFR Part 67 is amended to read as follows:

PART 67—[AMENDED]

1. The authority citation for part 67 continues to read as follows:

Authority: 42 U.S.C. 4001 *et seq.*; Reorganization Plan No. 3 of 1978, 3 CFR, 1978 Comp., p. 329; E.O. 12127, 44 FR 19367, 3 CFR, 1979 Comp., p. 376.

§ 67.11 [Amended]

2. The tables published under the authority of § 67.11 are amended as follows:

Source of flooding and location	#Depth in feet above ground. *Elevation in feet (NGVD).
ARKANSAS	
West Memphis (City), Crittenden County (FEMA Docket No. 7242)	
Fifteen Mile Bayou:	
Approximately 1.6 miles downstream of U.S. Highways 70 and 79	*209
At confluence with Ten Mile Bayou Diversion Ditch	*211
At Missouri Pacific Railroad	*212
Ten Mile Bayou Diversion Ditch:	
At confluence with Fifteen Mile Bayou	*211
Approximately 850 feet downstream of North Frontage Road	*214
At confluence with Ten Mile Bayou	*215
Ten Mile Bayou:	
At confluence with Ten Mile Bayou Diversion Ditch	*215
At Missouri Pacific Railroad	*215
Approximately 1 mile upstream of Missouri Pacific Railroad	*215
Maps are available for inspection at 205 South Redding, West Memphis, Arkansas.	
CALIFORNIA	
Firebaugh (City), Fresno and Madera Counties (FEMA Docket No. 7242)	
San Joaquin River:	
Approximately 2.1 miles downstream of 7 1/2 Avenue	*141
Approximately 1.9 miles upstream of 7 1/2 Avenue	*146
Maps are available for inspection at the City of Firebaugh City Hall, 1575 11th Street, Firebaugh, California.	
Fresno County (Unincorporated Areas) (FEMA Docket No. 7242)	
San Joaquin River:	
Approximately 5.6 miles downstream of confluence of Firebaugh Wasteway	*138
0.2 mile upstream of confluence of Firebaugh Wasteway with San Joaquin River	*147
Maps are available for inspection at the Fresno County Office, 2220 Tulare Street, Fresno, California.	
Madera County (Unincorporated Areas) (FEMA Docket No. 7242)	
San Joaquin River:	
Approximately 5.6 miles downstream of confluence of Firebaugh Wasteway	*138
Approximately 0.2 mile upstream of confluence of Firebaugh Wasteway with San Joaquin River	*147
Maps are available for inspection at the Madera County Engineering Department, 135 West Yosemite Avenue, Madera, California.	
Winters (City), Yolo County (FEMA Docket No. 7242)	
Dry Creek:	
Approximately 1,900 feet downstream of private road (wooden bridge)	*121

Source of flooding and location	#Depth in feet above ground. *Elevation in feet (NGVD).
Approximately 450 feet downstream of private road (wooden bridge)	*121
Approximately 5,010 feet (0.95 mile) upstream of State Highway 128	*150
Maps are available for inspection at the City of Winters Department of Public Works, 318 First Street, Winters, California.	
IOWA	
Warren County (and Incorporated Areas) (FEMA Docket No. 7242)	
North River:	
Approximately 1,000 feet downstream of Chicago, Rock Island and Pacific Railroad	+780
Approximately 1,400 feet upstream of 33rd Avenue	+832
Plug Run:	
Approximately 500 feet downstream of Summerset Road	+796
Approximately 3,700 feet upstream of Chicago, Rock Island and Pacific Railroad	+845
Unnamed Tributary No. 1:	
Approximately 160 feet downstream of 165th Place	+782
Approximately 400 feet downstream of South Fifth Street	+802
Unnamed Tributary No. 2:	
Approximately 800 feet downstream of Chicago, Rock Island and Pacific Railroad	+780
Approximately 1,300 feet upstream of South Fifth Street	+800
Middle Creek:	
Approximately 1,900 feet downstream of 50th Avenue	+859
Just upstream of 20th Avenue	+948
Cavitt Creek:	
Approximately 1,200 feet downstream of Grimes Street	+802
Just upstream of West Iowa Avenue	+868
Maps are available for inspection at the Warren County Courthouse Annex, 217 West Salem, Indianola, Iowa.	
Maps are available for inspection at the City of Carlisle City Hall, 195 North First Street, Carlisle, Iowa.	
Maps are available for inspection at the City of Norwalk City Hall, 705 North Avenue, Norwalk, Iowa.	
Maps are available for inspection at the City of Indianola City Hall, 110 North First Street, Indianola, Iowa.	
Maps are available for inspection at the City of Ackworth City Hall, 104 Main Street, Ackworth, Iowa.	
Maps are available for inspection at the City of Cumming City Hall, 607 Station Street, Cumming, Iowa.	
LOUISIANA	
Acadia Parish (Unincorporated Areas) (FEMA Docket No. 7242)	
Bayou Queue de Tortue:	
Approximately 2,400 feet downstream of State Route 719	*27
Approximately 50 feet downstream of State Route 719	*28
Maps are available for inspection at 568 Court Circle, Crowley, Louisiana.	
Ville Platte (Town), Evangeline Parish (FEMA Docket No. 7238)	
Tributary No. 1:	
Approximately 5,000 feet above confluence with Bayou Joe Marcel (at the downstream corporate limit)	*65
Approximately 7,000 feet above confluence with Bayou Joe Marcel	*67
Tributary No. 2:	
Approximately 900 feet above confluence with Bayou Joe Marcel	*64
Approximately 400 feet upstream of Reed Street	*73
Tributary No. 3:	
Approximately 500 feet above confluence with Bayou Joe Marcel	*65
Approximately 100 feet downstream of Northeast Avenue	*74
Coulee de Manuel:	
Approximately 70 feet downstream of the Louisiana Highway 10 bridge	*68
Approximately 170 feet upstream of the Louisiana Highway 10 bridge	*68
Maps are available for inspection at 342 West Main Street, Ville Platte, Louisiana.	
NEVADA	
Lyon County (Unincorporated Areas) (FEMA Docket No. 7242)	
Overflow Area North of Truckee Canal:	
Approximately 100 feet downstream of Southern Pacific Railroad	*4,133
Approximately 6,350 feet upstream of Main Street	*4,193
Overflow Area North of Truckee Canal (Unnamed Ditch):	
At confluence with Overflow Area North of Truckee Canal	*4,158
Approximately 5,020 feet upstream of confluence with Overflow Area North of Truckee Canal	*4,193
Maps are available for inspection at Lyon County Community Development, 16 South Center Street, Yerington, Nevada.	
TEXAS	
Ector County (and Incorporated Areas) (FEMA Docket No. 7242)	
Monahans Draw:	
Approximately 6,200 feet downstream of Grandview Road	*2,834
Approximately 100 feet downstream of Crane Avenue	*2,876
At intersection of Tripp Avenue and 23rd Street	*2,940
Approximately 50 feet upstream of State Route 866	*3,042
Monahans Draw Tributary 1:	
At confluence with Monahans Draw	*2,930
Just downstream of Cypress Road	*2,963
Monahans Draw Tributary 2:	
At confluence with Monahans Draw Tributary 2	*2,977
Approximately 350 feet upstream of Damascus Drive	*2,985
Approximately 300 feet upstream of Westcliff Drive	*3,000
Approximately 3,500 feet upstream of Westcliff Drive, just downstream of an unnamed road	*3,015
Muskingum Draw:	
At confluence with Monahans Draw	*2,868
At 57th Street	*2,942
Just upstream of Loop 338, located just upstream of Sprague Avenue	*2,967
Muskingum Draw-South Tributary:	
At confluence with Muskingum Draw	*2,955
At divergence from Muskingum Draw at Sprague Avenue	*2,963
Muskingum Draw-South Overflow Channel:	
At Stoner Road	*2,960
West Side Drainage Channel:	
At confluence with Monahans Draw	*2,896
Just upstream of Park Boulevard	*2,905
Approximately 200 feet upstream of Santa Monica Drive	*2,914
Stream WSDC–D:	
At intersection of Third and Edison Streets	*2,896
At Harless Avenue near the intersection of West 13th Street	*2,906
Stream WSDC–DD:	
At intersection of Third Street and Kelly Avenue	*2,895
Just east of West County Road near its intersection with Park Boulevard	*2,901
East Side Channel:	
At confluence with Far East Channel	*2,855
Approximately 500 feet upstream of U.S. 80 Frontage Road	*2,888

Source of flooding and location	#Depth in feet above ground. *Elevation in feet (NGVD).
Just downstream of Custer Avenue	2,910
East Side Channel Split Flow:	
Approximately 800 feet upstream of confluence with East Side Channel	*2,888
Approximately 600 feet upstream of Pueblo Avenue	*2,905
Stream ESC–1:	
At confluence with East Side Channel	*2,888
Approximately 780 feet upstream of Pagewood Avenue	*2,895
Far East Channel:	
Approximately 670 feet upstream of confluence of East Side Channel	*2,856
Approximately 1,000 feet upstream of U.S. 80 Frontage Road	*2,878
Approximately 150 feet upstream of Maple Avenue	*2,906
Stream FEC–1:	
At confluence with Far East Channel	*2,887
Approximately 300 feet downstream of 42nd Street (or 2,800 feet upstream of confluence with Far East Channel)	*2,899
Stream FEC–1A:	
At confluence with Stream FEC–1	*2,892
At divergence from Far East Channel	*2,905
Stream FEC–S:	
At confluence with Far East Channel	*2,900
At divergence from Stream FEC–1A	*2,903
Maps are available for inspection at the Public Works Department, County Annex Building, 1010 East Eighth Street, Odessa, Texas.	
Maps are available for inspection at the City of Odessa City Hall, 411 West Eighth, Odessa, Texas.	
Gonzales County (Unincorporated Areas) (FEMA Docket No. 7242)	
San Marcos River:	
Approximately 1,600 feet downstream of the confluence of Plum Creek at the County boundary	*340
Approximately 200 feet upstream of U.S. Highway 10 at the County boundary	*356
Maps are available for inspection at the Gonzales County Courthouse, 1709 Sarah DeWitt Drive, Gonzales, Texas.	
Guadalupe County (Unincorporated Areas) (FEMA Docket No. 7242)	
San Marcos River:	
Approximately 175 feet upstream of U.S. Highway 10 at the easternmost County boundary	*355
Just upstream of U.S. Highway 90	*379
Just upstream of State Highway 671	*409
Just upstream of State Highway 20	*442
At Farm Market Road 1977	*485
Approximately 1.9 miles upstream of Access Road at the northernmost County boundary	*551
Maps are available for inspection at 415 East Donegan, Seguin, Texas.	
Henderson County (and Incorporated Areas) (FEMA Docket No. 7242)	
Cedar Creek Lake:	
Along shoreline of Cedar Creek Lake	*323
Maps are available for inspection at the City of Payne Springs Community Center, Highway 198, Payne Springs, Texas.	
Maps are available for inspection at the City of Tool City Hall, Highway 274, Tool, Texas.	
Maps are available for inspection at the City of Log Cabin City Hall, 14387 Alamo Road, Log Cabin, Texas.	
Maps are available for inspection at the City of Caney City City Hall, 15241 Barron Road, Caney City, Texas.	
Maps are available for inspection at the City of Seven Points City Hall, Highway 85, Seven Points, Texas.	
Maps are available for inspection at the City of Star Harbor City Hall, 99 Sunset Street, Malakoff, Texas.	
Maps are available for inspection at the Town of Enchanted Oaks Town Hall, 111 Deerwood, Mabank, Texas.	
Maps are available for inspection at the City of Gun Barrel City City Hall, 1810 West Main, Gun Barrel City, Texas.	
Maps are available for inspection at 102 East Tyler Avenue, Athens, Texas.	
Hunt County (and Incorporated Areas) (FEMA Docket No. 7218)	
Farber Creek:	
Just downstream of FM 1903	*488
Just upstream of southwestbound Interstate Highway 30	*513
Approximately 200 feet upstream of Shelby Avenue	*549
Approximately 2,750 feet upstream of Shelby Avenue	*560
Long Branch Creek:	
Approximately 3,550 feet above mouth	*498
Approximately 6,200 feet above mouth	*504
Approximately 100 feet upstream of Stonewall Street	*523
Just upstream of State Highways 66 and 315 and U.S. Highway 69	*560
Mullaney Creek:	
Approximately 1,600 feet above mouth	*498
At City of Greenville corporate limits	*507
Just upstream of Tracy Street	*546
Mustang Branch:	
Approximately 1,300 feet downstream of FM 1570	*505
Approximately 6,750 feet upstream of County Road 2126	*533
Turtle Creek:	
At confluence with Long Branch Creek	*508
Approximately 400 feet upstream of Moulton Street	*518
Approximately 150 feet downstream of Dent Road	*529
Maps are available for inspection at the Hunt County Courthouse, 2500 Lee Street, Greenville, Texas.	
Maps are available for inspection at the City of Greenville Public Works Department, 2315 Johnson Street, Greenville, Texas.	
Victoria County (Unincorporated Areas) (FEMA Docket No. 7242)	
Coleto Creek:	
Just upstream of FM 466	*66
Approximately 1.1 miles upstream of Southern Pacific Railroad	*86
Whispering Creek:	
Approximately 830 feet upstream of John Stockbauer Drive	*111
Approximately 3,600 feet upstream of Loop 463	*118
Maps are available for inspection at the Victoria County Floodplain Administration, 2805A North Navarro, Victoria, Texas.	

(Catalog of Federal Domestic Assistance No. 83.100, Flood Insurance)

Dated: July 7, 1998.

Michael J. Armstrong,

Associate Director for Mitigation.

[FR Doc. 98–18723 Filed 7–13–98; 8:45 am]

BILLING CODE 6718–04–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 76

[MM Docket No. 92–264; FCC 98–138]

Horizontal Ownership Limits

AGENCY: Federal Communications Commission.

ACTION: Final rule; announcement of effective date.

SUMMARY: In the *Second Memorandum Opinion and Order on Reconsideration* (*Second Order on Reconsideration*), the Commission maintains the current 30% cable television horizontal ownership limit and generally denies the motion to lift the voluntary stay on enforcement of that limit. However, the Commission lifts the stay and announces the effective date for information reporting requirements. A companion *Further Notice of Proposed Rulemaking* seeks comment on possible revisions of the horizontal ownership rules and the method by which horizontal ownership is calculated.

DATES: Section 76.503(c) published at 58 FR 60141 (November 15, 1993) is effective August 13, 1998.

FOR FURTHER INFORMATION CONTACT: John Norton, Cable Services Bureau, (202) 418–7200.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Commission's *Second Order on Reconsideration*, MM Docket No. 98–138, adopted June 23, 1998, and released June 26, 1998. The full text of this decision is available for inspection and copying during normal business hours in the FCC Reference Center (Room 239), 1919 M Street, NW, Washington, D.C. 20554, and may be purchased from the Commission's copy contractor, International Transcription Service, (202) 857–3800, 1231 20th Street, NW, Washington, D.C. 20036.

Synopsis of the Second Order on Reconsideration

1. This *Second Order on Reconsideration* addresses petitions for reconsideration of the Second Report and Order in MM Docket No. 92–264, 58 FR 60135, November 15, 1993 (''*Second Report and Order*''). Among other things, the *Second Report and Order* promulgated rules pursuant to section 613 of the Communications Act (47 U.S.C. § 533(f)(1)(A)), which requires the Commission to ''prescribe rules and regulations establishing reasonable limits on the number of cable subscribers a person is authorized to reach through cable systems owned by such a person, or in which such a person has an attributable interest'' (''horizontal ownership rules''). Section 613(f)(2) directs that, in addition to other public interest concerns, the Commission must consider and balance seven particular public interest objectives in establishing the horizontal ownership rules: (1) To ensure that no cable operator or group of cable operators can unfairly impede the flow of video programming from the programmer to the consumer; (2) to ensure that cable operators do not favor affiliated video programmers in determining carriage and do not unreasonably restrict the flow of video programming of affiliated video programmers to other video distributors; (3) to take account of the market structure, ownership patterns, and other relationships of the cable industry, including the market power of the local franchise, joint ownership of cable systems and video programmers, and the various types of non-equity controlling interests; (4) to take into account any efficiencies and other benefits that might be gained through increased ownership or control; (5) to make rules and regulations that reflect the dynamic nature of the communications marketplace; (6) to impose no limitations that prevent cable operators from serving previously unserved rural areas; and (7) to impose no limitations that will impair the development of diverse and high quality programming. The Commission's horizontal ownership rules established in the *Second Report and Order* provide that ''no person or entity shall be permitted to reach more than 30% of all homes passed nationwide through cable systems owned by such person or entity or in which such person or entity holds an attributable interest.''

2. In the *Second Report and Order*, the Commission voluntarily stayed the effective date of the horizontal ownership rules pending final judicial resolution of the District Court decision in *Daniels Cablevision, Inc.* v. *United States* (835 F. Supp. 1, 10 (D.D.C. 1993), aff'd in part, rev'd in part, *Time Warner Entertainment Co., L.P.* v. *FCC*, 93 F.3d 957 (D.C. Cir. 1996)) which held that the underlying statute violates the First Amendment. The *Daniels* court stayed further court proceedings, including determination and imposition of relief for the plaintiffs, pending appeal. On December 15, 1993, petitions for reconsideration of the stayed rules and a motion to lift the administrative stay were filed with the Commission. The following month, the stayed rules were challenged in *Time arner Entertainment Co., L.P.* v. *FCC* (No. 94–1035 (D.C. Cir. 1994)). In August 1996, the D.C. Circuit Court consolidated the *Daniels* appeal regarding the facial validity of the statute and the *Time Warner* challenge to the Commission's rules, and determined to hold court proceedings in abeyance while the Commission reconsidered the horizontal ownership rules (*Time Warner Entertainment Co., L.P.* v. *FCC*, 93 F.3d 957, 979–80 (D.C. Cir. 1996)).

3. The *Second Order on Reconsideration* disposes of both the reconsideration petitions, which seek to lower the 30% horizontal ownership limit and revise the calculation factors, and the motion to lift the voluntary stay on enforcement of the horizontal ownership rules. In the *Second Order on Reconsideration*, the Commission maintains the current 30% horizontal ownership limit and denied the motion to lift the voluntary stay on enforcement of that limit. We note that, while the most established programmers can obtain favorable terms from even large cable multiple system operators (''MSOs''), the cable horizontal ownership rules remain necessary to prevent MSOs from exercising market power against new, independent, and less prominent programmers. In order to facilitate monitoring of cable ownership interests, the Commission lifts the voluntary stay insofar as it applies to the information reporting requirements of 47 CFR 76.503(c). Prior to acquiring attributable interests in any additional cable systems, a person holding an attributable interest in cable systems reaching 20% or more of homes passed nationwide by cable will be required to notify the Commission of the incremental change the acquisition makes in terms of the 30% of homes passed standard, i.e. specifying the ownership in terms of homes passed before and after the acquisition is complete.

4. The arguments raised against the Commission's 30% limit fall into five broad categories—consideration of diversity issues; alteration of the status quo; divestiture by Tele-Communications, Inc. (''TCI''); current levels of horizontal concentration; and impact of other statutes and rules.

5. With respect to diversity of ownership, the *Second Report and Order* finds that the 30% horizontal ownership limit provides considerable protection for diversity concerns. As required by section 613, the Commission balances those diversity concerns with many other public interest factors, some of which support the growth of cable MSOs. In the *Second Order on Reconsideration*, the Commission finds that it properly

concluded that a 30% limit is generally appropriate to prevent the largest MSOs from gaining excessive leverage, and also ensures that the majority of MSOs continue to expand and obtain the economies of scale necessary to encourage investment in new video programming services and the deployment of advanced cable technologies.

6. In addition, petitioners contended that Congress sought to change the status quo in the 1992 Cable Act because existing levels of horizontal concentration were too high, and that the 30% horizontal ownership limit is too high because it does not alter the status quo. In the *Second Order on Reconsideration,* the Commission finds that the statute does not direct the Commission to alter the status quo by ordering divestiture by any cable MSO. Instead, Congress required that the Commission set ''reasonable limits'' and left the parameters of what ''reasonable limits'' would be to Commission discretion. The statute and the legislative history make clear that the Commission was not required to alter current industry structure, but to consider the potential public interest concerns associated with the industry structure. In the *Second Order on Reconsideration,* the Commission finds that it fully considered such interests.

7. Petitioners also asserted that the *Second Report and Order* was too concerned about avoiding divestiture by TCI and was not focused on consumer welfare. In the *Second Order on Reconsideration,* the Commission finds that inquiry into the impact divestiture would have upon subscribers, programmers and industry investment are legitimate public interest objectives that the Commission is entitled to consider. We also noted that, in both *First Report and Further Notice* and the *Second Report and Order,* the Commission considered arguments for low limits that would require divestiture. The Commission expressly confronted the divestiture issue and determined that, in the absence of definitive evidence that existing levels of ownership are sufficient to impede the entry of new video programmers or have an adverse effect on diversity, existing arrangements should not be disrupted. In the *Second Order on Reconsideration,* we find that the Commission properly considered whether the substantial structural change that divestiture would entail was warranted. The Commission based its final decision in the *Second Report and Order* not solely on a determination to avoid divestiture, as petitioners suggested, but, more importantly, upon the public interest requirements of section 613.

8. With respect to current levels of horizontal concentration, petitioners asserted that the *Second Report and Order* did not sufficiently address the evidence that existing levels of horizontal concentration are too high and that TCI, the largest MSO, already uses its market power to disadvantage competing program services. All other cable operators filing comments strenuously opposed the argument that current levels of horizontal concentration are ''too high'' and cited the benefits of horizontal concentration, including MSOs' ability to achieve economies of scale in research and development of transmission and distribution technology, savings in administrative costs such as billing operations, advertising, marketing, and management, and reduction in the costs of negotiating with programmers.

9. The Commission found in the *Second Report and Order* that 30% was an appropriate horizontal ownership limit ''in the absence of definitive evidence that existing levels of ownership are sufficient to impede the entry of new video programmers or have an adverse affect on diversity . . .'' The *Second Report and Order* concluded that a 30% limit was ''appropriate to prevent the nation's largest MSOs from gaining enhanced leverage from increased horizontal concentration,'' and is ''reasonable to prevent the types of anti-competitive conduct which concerned Congress, particularly when coupled with the behavioral restrictions contained in [the program access and program carriage provisions] * * *.'' In the *Second Order on Reconsideration,* the Commission finds that no one has proffered any new evidence that requires the Commission to alter this finding, and that the 30% limit complies with the intent of Congress and satisfies the criteria specified in section 613.

10. In the *Second Order on Reconsideration,* the Commission finds that the 30% limit adequately constrains the extent to which either a large cable MSO acting unilaterally or a group of cable MSOs acting in concert could exercise market power in the purchase of programming to reduce the diversity of programming or to coerce nonaffiliated programmers into denying programming to alternative MVPDs. In addition, the 30% ceiling limits the extent to which large cable MSOs can merge and result in one or two MSOs controlling local cable markets nationwide, thereby helping to preserve opportunities for entry by overbuilders or other MVPDs and reduce the likelihood that large MSOs can coordinate their behavior by mutually forbearing from overbuilding each other's service territories. The Commission found that the 30% limit also reduces the likelihood of coordinated activity between large cable MSOs in areas such as program purchasing and equipment purchasing. Accordingly, in the *Second Order on Reconsideration,* the Commission finds that the 30% limit simultaneously guards against the potential anticompetitive effects of horizontal concentration and allows cable MSOs to realize the benefits of clustering in order to gain efficiencies related to economies of scale and scope in administration, deployment of new technologies and services, extension into previously unserved territories, etc.

11. In the *Second Order on Reconsideration,* the Commission also concludes that the gradual but continuous growth and expansion in both cable-affiliated and independent programming sources and programming networks over the past several years tends to suggest that current levels of horizontal concentration have not significantly hampered new video programmers' entry, and that the Commission's 30% limit properly struck a reasonable balance between concentration and diversity concerns.

12. With respect to the impact of other statutory provisions and rules, one petitioner argued that the Commission's reliance in the *Second Report and Order* upon existing statutes and regulations to support the 30% ownership limit was improper. In the *Second Order on Reconsideration,* the Commission finds that the *Second Report and Order* properly considered the impact of other statutes and regulations, given the requirements of Section 613 that the Commission examine the marketplace as it currently operates. The Commission finds that statutes and rules such as the program access, program carriage, channel occupancy limits, and must-carry requirements all affect the way the cable television industry currently operates and have a profound effect on current industry structure and performance. In the *Second Order on Reconsideration,* the Commission finds that, because these provisions have real and substantive impact upon the market, the Commission properly considered the impact of these provisions in alleviating some of the public interest and anticompetitive concerns about horizontal concentration.

13. In addition to requesting the lowering of the 30% ownership limit, petitioners proposed that the

Commission revise the calculation factors. One petitioner argued that the 30% limit should include households served by a telephone company that is affiliated with an MSO. In the *Second Order on Reconsideration,* the Commission finds that, where the use of a telephone company's lines is limited to the provision of local exchange services, the telephone company does not operate as a ''cable system'' and its telephone subscribers should not be counted toward the number of subscribers served by an MSO affiliated with the telephone company. Likewise, the Commission states that the cable horizontal ownership limit does not apply to subscribers of a telephone company that offers multichannel video programming distribution service solely through means other than a ''cable system.'' However, the *Second Order on Reconsideration* emphasizes that telephone companies offering MVPD service through cable systems are subject to the cable horizontal ownership limits.

14. One petitioner argued that homes in franchise areas facing ''effective competition'' should not be included in calculating the 30% limit because horizontal ownership limits are only required to combat the local monopoly and ''gatekeeper'' power of cable systems, so that the justification for these limits disappear where local distribution markets are competitive. Rejecting this argument in the *Second Order on Reconsideration,* the Commission finds that, had Congress intended to eliminate all cable regulations where the ''effective competition'' standard applicable to rate deregulation is satisfied, the ''effective competition'' exemption would have been drawn much more broadly. The Commission observes that the ''effective competition'' standard determines when there is sufficient local competition to prevent an incumbent cable operator from exercising market power in setting local rates for cable services sold to local subscribers. In contrast, the horizontal ownership limit was designed to ensure that no cable MSO acquires a sufficiently large share of subscribers nationwide to exercise undue market power at the national level in its purchase of programming from networks, which generally sell their programming nationwide. The *Second Order on Reconsideration* concludes that the ''effective competition'' exemption is expressly limited to cable rate regulation and is not sufficient to address all the concerns expressed by Congress in enacting Section 613.

15. In the *Second Order on Reconsideration,* a petitioner also requested that the Commission tighten its attribution rules by eliminating the single majority shareholder exception, which provides that minority interests will not be attributed where a single shareholder owns more than 50% of the outstanding voting stock. The petitioner argued that this exception to the attribution rules is ''unduly mechanistic'' and ignores the minority shareholder's ''ability to influence the actual operation of the property'' even when a majority shareholder is present.

16. In the *Second Order on Reconsideration,* the Commission finds that there was not enough evidence in this docket to justify eliminating the single majority shareholder exception. The single majority shareholder provision of the rules is currently under review in the broadcast context in MM Docket Nos. 94–150, 92–51 and 87–154. In that proceeding, the Commission sought comment on the nature of ''influence'' and ''control'' and the connection between equity ownership and such influence and control. The Commission is also issuing a *Notice of Proposed Rulemaking* seeking comment on whether and how the cable attribution rules, including the single majority shareholder exception, should be revised. In the *Second Order on Reconsideration,* the Commission notes that its determination regarding the cable attribution rules applies to both the horizontal ownership rules and channel occupancy limits.

17. A motion also was filed with the Commission to lift the Commission's voluntary stay on enforcement of the cable horizontal ownership rules. In the *Second Report and Order,* the Commission had voluntarily stayed the effective date of these rules pending final judicial resolution of the District Court decision in *Daniels* that the underlying statute violates the First Amendment. While the *Daniels* Court had stayed further District Court proceedings pending interlocutory appeal of its judgment, it had not enjoined the Commission from adopting and enforcing horizontal ownership rules under the statute. In August 1996, the D.C. Circuit Court consolidated the *Daniels* appeal regarding the facial validity of the statute and the *Time Warner* challenge to the Commission's rules, and determined to hold court proceedings in abeyance while the Commission reconsidered the horizontal rules.

18. In the *Second Order on Reconsideration,* the Commission retains the voluntary stay of the 30% horizontal ownership limit at this time, in light of the continuing pendency of the judicial proceedings relating to the underlying provision. In order to facilitate monitoring of MSOs' ownership interests, the Commission lifts the stay insofar as it applies to the information submission provisions of 47 CFR 76.503(c) that are applicable when any person or entity holding an attributable interest in cable systems reaching 20% or more of homes passed nationwide acquires additional cable systems. The existing rules require a certification that no violation of the 30% limit will occur as a result of such acquisition. In the *Second Order on Reconsideration,* the Commission finds that, in light of the continuation of the stay, the certification should only specify the incremental change the acquisition makes in terms of the 30% of household passed standard, i.e. specifying the ownership in terms of homes passed before and after the acquisition is complete. The *Second Order on Reconsideration* also states that affected parties will be required to come into compliance with the horizontal ownership rules within 60 days of the appellate court's issue of a mandate upholding section 613(f)(1)(a) and the rules, unless the Commission determines as part of this ongoing proceeding to lift the stay at an earlier date. Interested parties, including in particular parties that are now entering into business arrangements that would violate the rules but for the existence of the stay, should be well aware of the existence of the rules and thus have a full opportunity to be prepared to comply with them.

Ordering Clauses

19. Accordingly, it is ordered that the petitions for reconsideration filed in this proceeding are denied.

20. It is further ordered that the Motion to Lift Stay filed December 15, 1993 by the Center for Media Education and Consumer Federation of America is granted as to the Commission's voluntary stay on enforcement of 47 CFR 76.503(c), and is denied as to the Commission's voluntary stay on enforcement of 47 CFR 76.503(a), (b), (d), (e) and (f).

List of Subjects in 47 CFR Part 76

Cable television.

Federal Communications Commission.

Magalie Roman Salas,

Secretary.

[FR Doc. 98–18037 Filed 7–13–98; 8:45 am]

BILLING CODE 6712–01–P

Proposed Rules

Federal Register
Vol. 63, No. 134
Tuesday, July 14, 1998

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 TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–NM–152–AD]

RIN 2120–AA64

Airworthiness Directives; British Aerospace (Jetstream) Model 4101 Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the supersedure of an existing airworthiness directive (AD), applicable to certain British Aerospace (Jetstream) Model 4101 airplanes, that currently requires an inspection to determine the data on the label of certain hose assemblies, and replacement of all hose assemblies from any discrepant batch with certain new hose assemblies. That AD was prompted by a report of the failure of a hose assembly in the fire extinguisher system of the engine nacelle due to cracks, caused during manufacture of the hose assemblies, in the swaged ferrule that attaches the hose to the end fitting. The actions specified by that AD are intended to ensure that such discrepant hose assemblies are replaced. Discrepant hose assemblies could fail and consequently prevent the proper distribution of fire extinguishing agent within the engine nacelle in the event of a fire. This action would require a one-time inspection for different data on the label of certain hose assemblies, and replacement of all hose assemblies from any discrepant batch with certain new hose assemblies. This action also would add airplanes to the applicability of the existing AD.

DATES: Comments must be received by August 13, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 98–NM–152–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from AI(R) American Support , Inc., 13850 Mclearen Road, Herndon, Virginia 20171. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Norman B. Martenson, Manager, International Branch, ANM–116, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (425) 227–2110; fax (425) 227–1149.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule.

The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket Number 98–NM–152–AD.'' The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 98–NM–152–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

Discussion

On July 9, 1997, the FAA issued AD 97–15–05, amendment 39–10078 (62 FR 38015, July 16, 1997), applicable to certain British Aerospace (Jetstream) Model 4101 airplanes, to require an inspection to determine the data on the label of certain hose assemblies, and replacement of all hose assemblies from any discrepant batch with certain new hose assemblies. That action was prompted by a report of the failure of a hose assembly in the fire extinguisher system of the engine nacelle on several in-service airplanes. Investigation revealed that the cause of such a failure was attributed to cracks in the swaged ferrule that attaches the hose to the end fitting. These cracks were apparently caused during the manufacture of two batches of hose assemblies. The labels of the failed hoses specified the following information: British Aerospace Regional Aircraft (BARA) part number 14191001–56 Issue F, the hose manufacturer (ICORE) part number YA006769 Issue 2, and batch number 9308–W038912 or batch number 9311–W040935. The requirements of that AD are intended to ensure that all hoses from the two discrepant batches are replaced. Discrepant hose assemblies could fail and consequently prevent the proper distribution of fire extinguishing agent within the engine nacelle in the event of a fire.

Actions Since Issuance of Previous Rule

Since issuance of that AD, the FAA has received another report of failure of a hose assembly in the fire extinguisher system of the engine nacelle on an in-service airplane. Although the label of that discrepant hose specified an ICORE part number and batch number identical to those of the previously described discrepant hoses, the BARA part number was specified as 14191001–56 Issue 3. Further investigation has revealed that BARA part number 14191001–56 may have any alpha or numeric Issue identifier.

Therefore, the inspection required by AD 97–15–05 may have failed to

identify all hose assemblies manufactured in the discrepant batches. In light of this, the FAA has determined that it is necessary to repeat the inspection required by AD 97–15–05 and look for different data on the labels of the hose assemblies.

Explanation of Relevant Service Information

The manufacturer has issued Jetstream Alert Service Bulletin J41–A26–007, Revision 1, dated May 21, 1997. The inspection and replacement procedures described in this alert service bulletin are essentially identical to those described in the original issue of the alert service bulletin, dated December 13, 1996 (which was referenced in AD 97–15–05 as the appropriate source of service information). However, Revision 1 of the alert service bulletin clarifies the data on the label of the discrepant batches of hose assemblies to enable operators to correctly identify the discrepant parts. In addition, this revision to the alert service bulletin adds four airplanes that also are subject to the addressed unsafe condition. Accomplishment of the actions specified in the alert service bulletin is intended to adequately address the identified unsafe condition. The Civil Aviation Authority (CAA), which is the airworthiness authority for the United Kingdom, classified this alert service bulletin as mandatory in order to assure the continued airworthiness of these airplanes in the United Kingdom.

FAA's Conclusions

This airplane model is manufactured in the United Kingdom and is type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the Civil Aviation Authority (CAA), which is the airworthiness authority for the United Kingdom, has kept the FAA informed of the situation described above. The FAA has examined the findings of the CAA, reviewed all available information, and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other airplanes of the same type design registered in the United States, the proposed AD would supersede AD 97–15–05 to require a one-time inspection to determine the data on the label of certain hose assemblies, and replacement of all hose assemblies from any discrepant batch with certain new hose assemblies. The proposed AD also would add airplanes to the applicability of the existing AD. The actions would be required to be accomplished in accordance with the alert service bulletin described previously.

Cost Impact

There are approximately 57 airplanes of U.S. registry that would be affected by this proposed AD.

The new inspection that is proposed in this AD would take approximately 1 work hour per airplane to accomplish, at an average labor rate of $60 per work hour. Based on these figures, the cost impact of the inspection proposed by this AD on U.S. operators is estimated to be $3,420, or $60 per airplane.

The cost impact figure discussed above is based on assumptions that no operator has yet accomplished any of the current or proposed requirements of this AD action, and that no operator would accomplish those actions in the future if this AD were not adopted.

Regulatory Impact

The regulations proposed herein would 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. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this proposed regulation (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES.**

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by removing amendment 39–10078 (62 FR 38015, July 16, 1997), and by adding a new airworthiness directive (AD), to read as follows:

British Aerospace Regional Aircraft

[Formerly Jetstream Aircraft Limited; British Aerospace (Commercial Aircraft) Limited]: Docket 98–NM–152–AD. Supersedes AD 97–15–05, Amendment 39–10078.

Applicability: Model Jetstream 4101 airplanes, constructors numbers 41004 through 41100 inclusive; certificated in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (b) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously.

To prevent failure of hose assemblies, which could prevent the proper distribution of fire extinguishing agent within the engine nacelle in the event of a fire, accomplish the following:

(a) Within 30 days after the effective date of this AD, perform a one-time detailed visual inspection to determine the data on the label of the two hose assemblies having part number 14191001–56, in accordance with Jetstream Alert Service Bulletin J41–A26–007, Revision 1, dated May 21, 1997.

(1) If the data on any hose assembly are not identical to the data shown on either Label 1 or Label 2 of Figure 2 of the Accomplishment Instructions of the alert service bulletin, no further action is required by this AD.

(2) If the data on any hose assembly are identical to the data shown on either Label 1 or Label 2 of Figure 2 of the Accomplishment Instructions of the alert service bulletin, prior to the accumulation of

60 flight hours following accomplishment of the inspection required by paragraph (a) of this AD, replace the hose assembly with a new hose assembly that has different data on the identification label, in accordance with the alert service bulletin.

(b) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, International Branch, ANM–116, FAA, Transport Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, International Branch, ANM–116.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the International Branch, ANM–116.

(c) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Issued in Renton, Washington, on July 7, 1998.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–18646 Filed 7–13–98; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 97–NM–144–AD]

RIN 2120–AA64

Airworthiness Directives; Saab Model SAAB 2000 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain Saab Model SAAB 2000 series airplanes. This proposal would require replacing the radio tuning units (RTU's) and associated components with new, improved parts. This proposal is prompted by issuance of mandatory continuing airworthiness information by a foreign civil airworthiness authority. The actions specified by the proposed AD are intended to prevent NAV/COM radios from simultaneously changing tuned frequencies and transponder codes due to a black screen failure or ''blanking'' of an RTU, which could result in loss of communications capability and air traffic control data.

DATES: Comments must be received by August 13, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 97–NM–144–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Saab Aircraft AB, SAAB Aircraft Product Support, S–581.88, Linköping, Sweden. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: Norman B. Martenson, Manager, International Branch, ANM–116, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (425) 227–2110; fax (425) 227–1149.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: ''Comments to Docket Number 97–NM–144–AD.'' The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 97–NM–144–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

Discussion

The Luftfartsverket (LFV), which is the airworthiness authority for Sweden, notified the FAA that an unsafe condition may exist on certain Saab Model SAAB 2000 series airplanes. The LFV advises that, in the event of a ''blanking'' (black screen) failure of a single radio tuning unit (RTU), the NAV/COM radios may change tuned radio frequencies and transponder codes. Such frequency and transponder code changes may occur on both left and right NAV/COM radios simultaneously. This condition, if not corrected, could result in loss of communications capability and air traffic control data.

The manufacturer of the RTU's reported that this ''blanking'' failure of an RTU is a design problem that was discovered during an investigation of a service difficulty on another airplane model. The RTU's installed on certain Saab Model SAAB 2000 series airplanes are the same type as those on the other airplane model. Therefore, Saab Model SAAB 2000 series airplanes may be subject to the same unsafe condition.

Explanation of Relevant Service Information

The manufacturer has issued Saab Service Bulletin 2000–23–017, dated March 10, 1997, which describes procedures for replacing existing RTU's and associated components with new, improved parts. The improved RTU's are not susceptible to frequency or transponder code changes due to a ''blanking'' failure. Accomplishment of the actions specified in the service bulletin is intended to adequately address the identified unsafe condition. The LFV classified this service bulletin as mandatory and issued Swedish airworthiness directive SAD 1–109, dated March 12, 1997, in order to assure the continued airworthiness of these airplanes in Sweden.

FAA's Conclusions

This airplane model is manufactured in Sweden and is type certificated for operation in the United States under the provisions of Section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the LFV has kept the FAA informed of

the situation described above. The FAA has examined the findings of the LFV, reviewed all available information, and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other airplanes of the same type design registered in the United States, the proposed AD would require accomplishment of actions specified in the service bulletin described previously.

Cost Impact

The FAA estimates that 3 airplanes of U.S. registry would be affected by this proposed AD, and that it would take approximately 2 work hours per airplane to accomplish the proposed replacement, at an average labor rate of $60 per work hour. Required parts would be provided by the manufacturer of the RTU at no cost to operators. Based on these figures, the cost impact of the replacement proposed by this AD on U.S. operators is estimated to be $360, or $120 per airplane.

The cost impact figure discussed above is based on assumptions that no operator has yet accomplished any of the proposed requirements of this AD action, and that no operator would accomplish those actions in the future if this AD were not adopted.

Regulatory Impact

The regulations proposed herein would 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. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this proposed regulation (1) is not a 'significant regulatory action' under Executive Order 12866; (2) is not a 'significant rule' under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES.**

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

Saab Aircraft AB: Docket 97–NM–144–AD.

Applicability: Model SAAB 2000 series airplanes, as listed in Saab Service Bulletin 2000–23–017, dated March 10, 1997; certificated in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (b) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

Compliance: Required as indicated, unless accomplished previously.

To prevent NAV/COM radios from simultaneously changing tuned frequencies and transponder codes due to a black screen failure or ''blanking'' of a radio tuning unit (RTU), which could result in loss of communications capability and air traffic control data, accomplish the following:

(a) Within 1 year after the effective date of this AD, replace the existing RTU's and associated components with new, improved parts, in accordance with Saab Service Bulletin 2000–23–017, dated March 10, 1997.

(b) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, International Branch, ANM–116, FAA, Transport Airplane Directorate. Operators shall submit their request through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, International Branch, ANM–116.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the International Branch, ANM–116.

(c) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Note 3: The subject of this AD is addressed in Swedish airworthiness directive SAD 1–109, dated March 12, 1997.

Issued in Renton, Washington, on July 7, 1998.

Darrell M. Pederson,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–18645 Filed 7–13–98; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF LABOR

Mine Safety and Health Administration

30 CFR Parts 72 and 75

Diesel Particulate Matter Exposure of Underground Coal Miners

AGENCY: Mine Safety and Health Administration, Labor.

ACTION: Proposed rule; Notice of preliminary determination of no significant environmental impact; request for comments.

SUMMARY: This document announces the preliminary determination by the Mine Safety and Health Administration (MSHA) that the proposed rule establishing new health standards for underground coal mines that use diesel powered engines will have no significant environmental impact. MSHA is soliciting comments on its preliminary determination.

DATES: Submit written comments on or before August 10, 1998.

ADDRESSES: Comments may be transmitted by electronic mail, fax or mail. Comments by electronic mail must be clearly identified as such and sent to this e-mail address: comments@msha.gov. Comments by fax must be clearly identified as such and sent to: Mine Safety and Health Administration, Office of Standards, Regulations and Variances, 703–235–5551. Send mail comments to: Mine Safety and Health Administration, Office of Standards, Regulations and Variances, Room 631, 4015 Wilson Boulevard, Arlington, Virginia 22203–1984. Interested persons are encouraged to supplement written comments with computer files or disks; please contact

the Agency with any questions about format.

FOR FURTHER INFORMATION CONTACT: Patricia W. Silvey, Director, Office of Standards, Regulations and Variances, 703–235–1910.

SUPPLEMENTARY INFORMATION: On April 9, 1998, MSHA published a proposed rule in the **Federal Register** (63 FR 17492) establishing health standards for underground coal mines that use equipment powered by diesel engines. The proposal is designed to reduce serious health hazards that are associated with exposure to high concentrations of diesel particulate matter (dpm). Dpm is a very small particle in diesel exhaust. Underground miners are exposed to far higher concentrations of this fine particulate than any other group of workers. The best available evidence indicates that exposure to diesel particulate matter puts miners at excess risk of a variety of adverse health effects, including lung cancer.

The National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. 4321 et. seq.), requires each Federal agency to consider the environmental effects of proposed actions and to prepare an Environmental Impact Statement on major actions significantly affecting the quality of the human environment. MSHA has reviewed the proposed standard in accordance with the requirements of the NEPA, the regulation of the Council on Environmental Quality (40 CFR Part 1500), and the Department of Labor's NEPA procedures (29 CFR Part 11). As a result of this review, MSHA has preliminarily determined that this proposed standard will have no significant environmental impact.

Commenters are encouraged to submit their comments on this determination on or before August 10, 1998.

Dated: July 8, 1998.

J. Davitt McAteer,

Assistant Secretary for Mine Safety and Health.

[FR Doc. 98–18688 Filed 7–13–98; 8:45 am]

BILLING CODE 4510–43–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Parts 141 and 142

[FRL–6121–2]

National Primary Drinking Water Regulations: Long Term 1 Enhanced Surface Water Treatment Rule and Filter Backwash Recycling Rule Public Meeting

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule; change in location of previous meeting announcement.

SUMMARY: EPA announces a change in location for the meetings on the Long Term 1 Enhanced Surface Water Treatment Rule (LT1ESWTR) and the Filter Backwash Recycling Rule (FBRR), which were announced in the June 23, 1998 **Federal Register** (63 FR 34142).

DATES: The LT1ESWTR public meeting will be held on July 22, 1998. The FBRR public meeting will be held on July 23, 1998. Both public meetings will begin at 8:30 am local time and will conclude at apprximately 4:30 pm local time.

ADDRESSES: The LT1ESWTR and FBRR meetings will be held at the Holiday Inn, 7390 West Hampden Avenue, Lakewood, Colorado.

FOR FURTHER INFORMATION CONTACT: For general information on the LT1ESWTR public meeting, please contact Steve Potts at (202) 260–5015. For the FBRR public meeting, please contact Bill Hamele at (202) 260–2584.

Dated: July 8, 1998

Cynthia C. Dougherty,

Director, Office of Ground Water and Drinking Water, Office of Water.

[FR Doc. 98–18730 Filed 7–13–98; 8:45 am]

BILLING CODE 6560–50–U

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 261

[SW–FRL–6124–3]

Hazardous Waste Management System; Identification and Listing of Hazardous Waste; Proposed Exclusion

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule and request for comment.

SUMMARY: The EPA is proposing to grant a petition submitted by McDonnell Douglas Corporation (McDonnell Douglas), a wholly owned subsidiary of The Boeing Corporation, to exclude (or delist) certain solid wastes generated by its U.S. Air Force Plant Number 3 (Air Force Plant No. 3) Tulsa, Oklahoma, facility from the lists of hazardous wastes contained in 40 CFR 261.24 and 261.31 (hereinafter all sectional references are to 40 CFR unless otherwise indicated). This petition was submitted under § 260.20(a), which allows any person to petition the Administrator to modify or revoke any provision of parts 260 through 266, 268 and 273, and under § 260.22(a), which specifically provides generators the opportunity to petition the Administrator to exclude a waste on a ''generator specific'' basis from the hazardous waste lists. This proposed decision is based on an evaluation of waste-specific information provided by the petitioner. If this proposed decision is finalized, the petitioned waste will be excluded from the requirements of hazardous waste regulations under the Resource Conservation and Recovery Act (RCRA).

DATES: The EPA is requesting public comments on this proposed decision. Comments will be accepted until August 28, 1998. Comments postmarked after the close of the comment period will be stamped ''late,'' and will not be considered in formulating a final decision.

Any person may request a hearing on this proposed decision by filing a request with Acting Director, Robert Hannesschlager, Multimedia Planning and Permitting Division, whose address appears below, by July 29, 1998. The request must contain the information prescribed in § 260.20(d).

ADDRESSES: Send three copies of your comments. Two copies should be sent to the William Gallagher, Delisting Section, Multimedia Planning and Permitting Division (6PD–O), Environmental Protection Agency, 1445 Ross Avenue, Dallas, Texas 75202. A third copy should be sent to the Oklahoma Department of Environmental Quality, 707 North Robinson Street, Oklahoma City, Oklahoma 73102. Identify your comments at the top with this regulatory docket number: ''F–98–OKDEL–AIRFORCEPLANT3.''

Requests for a hearing should be addressed to the Acting Director, Robert Hannesschlager, Multimedia Planning and Permitting Division (6PD), Environmental Protection Agency, 1445 Ross Avenue, Dallas, Texas 75202.

The RCRA regulatory docket for this proposed rule is located at the Environmental Protection Agency Region 6, 1445 Ross Avenue, Dallas, Texas 75202 and is available for viewing

in the Freedom of Information Act Reviewing Room on the 7th Floor from 9:00 a.m. to 4:00 p.m., Monday through Friday, excluding Federal holidays. Call (214) 665–6444 for appointments. The public may copy material from any regulatory docket at no cost for the first 100 pages, and at fifteen cents per page for additional copies.

FOR FURTHER INFORMATION CONTACT: For technical information concerning this notice, contact David Vogler, Multimedia Planning and Permitting Division, Environmental Protection Agency, Region 6, 1445 Ross Avenue, Dallas, TX 75202, (214)665–7428.

SUPPLEMENTARY INFORMATION:

I. Background

A. Authority

On January 16, 1981, as part of its final and interim final regulations implementing section 3001 of RCRA, EPA published an amended list of hazardous wastes from non-specific and specific sources. This list has been amended several times, and is published in §§ 261.31 and 261.32. These wastes are listed as hazardous because they typically and frequently exhibit one or more of the characteristics of hazardous wastes identified in subpart C of part 261 (i.e., ignitability, corrosivity, reactivity, and toxicity) or meet the criteria for listing contained in § 261.11(a)(2) or (a)(3).

Individual waste streams may vary however, depending on raw materials, industrial processes, and other factors. Thus, while a waste that is described in these regulations generally is hazardous, a specific waste from an individual facility meeting the listing description may not be. For this reason, §§ 260.20 and 260.22 provide an exclusion procedure, allowing persons to demonstrate that a specific waste from a particular generating facility should not be regulated as a hazardous waste.

To have their wastes excluded, petitioners must show that wastes generated at their facilities do not meet any of the criteria for which the wastes were listed. See § 260.22(a) and the background documents for the listed wastes. In addition, the Hazardous and Solid Waste Amendments (HSWA) of 1984 require the EPA to consider any factors (including additional constituents) other than those for which the waste was listed, if there is a reasonable basis to believe that such additional factors could cause the waste to be hazardous. Accordingly, a petitioner also must demonstrate that the waste does not exhibit any of the hazardous waste characteristics (i.e., ignitability, reactivity, corrosivity, and toxicity), and must present sufficient information for the EPA to determine whether the waste contains any other toxicants at hazardous levels. See § 260.22(a), 42 U.S.C. 6921(f), and the background documents for the listed wastes. Although wastes which are ''delisted'' (i.e., excluded) have been evaluated to determine whether or not they exhibit any of the characteristics of hazardous waste, generators remain obligated under RCRA to determine whether or not their waste remains nonhazardous based on the hazardous waste characteristics.

In addition, mixtures containing listed hazardous wastes are also considered hazardous wastes as are wastes derived from the treatment, storage, or disposal of listed hazardous waste. See § 261.3(a)(2)(iv) and (c)(2)(i), referred to as the ''mixture'' and ''derived-from'' rules, respectively. Such wastes are also eligible for exclusion and remain hazardous wastes until excluded. On December 6, 1991, the U.S. Court of Appeals for the District of Columbia vacated the ''mixture/derived from'' rules and remanded them to the EPA on procedural grounds. *See Shell Oil Co.* v. *EPA,* 950 F.2d 741 (D.C. Cir. 1991). On March 3, 1992, EPA reinstated the mixture and derived-from rules, and solicited comments on other ways to regulate waste mixtures and residues (57 FR 7628). These rules became final on October 30, 1992 (57 FR 49278). These references should be consulted for more information regarding mixtures and derived from wastes.

B. Approach Used to Evaluate This Petition

McDonnell Douglas' Air Force Plant No. 3 petition requests a one-time delisting for listed hazardous wastes. In making the initial delisting determination, the EPA evaluated the petitioned wastes against the listing criteria and factors cited in §§ 261.11(a)(1), 261.11(a)(2) and (a)(3). Based on this review, the EPA agreed with the petitioner that the waste is nonhazardous with respect to the original listing criteria. (If the EPA had found, based on this review, that the wastes remained hazardous based on the factors for which the wastes were originally listed, EPA would have proposed to deny the petition.) The EPA then evaluated the wastes with respect to other factors or criteria to assess whether there is a reasonable basis to believe that such additional factors could cause the wastes to be hazardous. The EPA considered whether the wastes are acutely toxic, the toxicity of the constituents, the concentration of the constituents in the wastes, their tendency to migrate and to bioaccumulate, their persistence in the environment once released from the wastes, plausible and specific types of management of the petitioned wastes, the quantities of wastes generated, and waste variability.

For this delisting determination, the EPA used such information gathered to identify plausible exposure routes (i.e., ground water, surface water and air) for hazardous constituents present in the petitioned wastes. The EPA determined that disposal in a Subtitle D (solid, nonhazardous waste) landfill is the most reasonable, worst-case disposal scenario for McDonnell Douglas' petitioned wastes, and that the major exposure route of concern would be ingestion of contaminated ground water. Therefore, the EPA used a particular fate and transport model, the EPA Composite Model for Landfills (EPACML), to predict the maximum allowable concentrations of hazardous constituents that may be released from the petitioned wastes after disposal and to determine the potential impact of the disposal of McDonnell Douglas' petitioned wastes on human health and the environment. Specifically, the EPA used the maximum estimated waste volumes and the maximum reported extract concentrations as inputs to estimate the constituent concentrations in the ground water at a hypothetical receptor well downgradient from the disposal site. The calculated receptor well concentrations (referred to as compliance-point concentrations) were then compared directly to the current Maximum Contaminant Levels (MCLs) promulgated under the Safe Drinking Water Act (SWDA) or health-based levels derived from verified Reference Doses (RfDs). The values used for lead and copper are action levels for treatment of a water supply in lieu of an MCL (40 CFR 141.80).

The EPA believes that this fate and transport model represents a reasonable worst-case scenario for disposal of the petitioned wastes in a landfill, and that a reasonable worst-case scenario is appropriate when evaluating whether a waste should be relieved of the protective management constraints of RCRA Subtitle C. The use of a reasonable worst-case scenario results in conservative values for the compliance-point concentrations and gives a high degree of confidence that the waste, once removed from hazardous waste regulation, will not pose a threat to human health or the environment. In most cases, because a delisted waste is no longer subject to hazardous waste control (unless conditionally delisted),

the EPA is generally unable to predict, and does not presently control, how a waste will be managed after delisting. Therefore, EPA normally believes that it is inappropriate to consider extensive site-specific factors when applying the fate and transport model. If however, conditions contained in a delisting indicate that it is necessary to consider site specific factors or otherwise indicate that the model is inappropriate, EPA may consider these factors in applying the model. For modeling purposes it is assumed that a Subtitle D landfill will be unlined.

The EPA also considers the applicability of ground water monitoring data during the evaluation of delisting petitions. In this case, the EPA determined that it would be appropriate to review ground water monitoring data since the petitioned wastes generated at McDonnell Douglas' facility were disposed of as part of an onsite surface impoundment which was partitioned by dikes into three lagoons which were closed as a single RCRA landfill. The analytical results from a combination of up to eighteen monitoring wells dating from 1981 until 1997 was reviewed. The data indicated that there has been no significant impact to the ground water from the closed landfill. The evaluation of this information is another indication that the waste has been stabilized and does not leach hazardous constituents in concentrations that are significant to human health and the environment.

From the evaluation of McDonnell Douglas' delisting petition, a list of constituents was developed for the verification testing conditions. Proposed maximum allowable leachable concentrations for these constituents were derived by back-calculating from the delisting health-based levels through the proposed fate and transport model for a landfill management scenario. These concentrations (i.e., delisting levels) are part of the proposed verification testing conditions of the exclusion.

McDonnell Douglas' exclusion (if granted) would be contingent upon the facility conducting stabilization activities on approximately 5,000 cubic yards of the 85,000 cubic yards of petitioned waste present in the three lagoons jointly closed as a RCRA landfill. Subsequent verification testing of representative samples of the newly stabilized waste would also be required. Analytical data from cores taken from the landfill indicate that about 5,000 cubic yards of waste was not stabilized during the closure process and will need to be stabilized before being transported offsite for disposal in a Subtitle D landfill. These wastes are presently located in the bottom one to three feet of lower portion of the northwest lagoon which is a portion of the surface impoundments closed as a landfill at the Tulsa Air Force Plant No. 3 Facility. The unstabilized wastes are easily identified by color, texture, and general physical appearance. This testing would be necessary to verify that the stabilization system is operating as demonstrated in the petition submitted on November 7, 1997. Specifically, the verification testing requirements of the conditional exclusion (if granted), would be implemented to demonstrate that the stabilization process will generate nonhazardous wastes (i.e., wastes that meet the EPA's verification testing conditions).

Analytical data submitted from cores of the petitioned wastes located in the upper portion of the northwest lagoon, the northeast lagoon, and the south lagoon of the landfill indicated that the waste in those areas was previously stabilized and therefore would not require additional verification testing. The EPA's proposed decision to delist wastes from the Air Force Plant No. 3 facility is based on the information submitted in support of today's rule, i.e., description of the historical wastewater treatment system and analytical data from the Tulsa facility's closed landfill.

Finally, the HSWA specifically require the EPA to provide notice and an opportunity for comment before granting or denying a final exclusion. Thus, a final decision will not be made until all timely public comments (including those at public hearings, if any) on today's proposal are addressed.

II. Disposition of Delisting Petition

Air Force Plant No. 3, McDonnell Douglas Corporation, a wholly owned subsidiary of The Boeing Corporation, Tulsa, Oklahoma 74115

A. Petition for Exclusion

McDonnell Douglas petitioned the EPA for a one-time exclusion for 85,000 cubic yards of stabilized and solidified waste located in three surface impoundments that were closed as a single RCRA landfill unit in 1989 at the U. S. Air Force Plant No. 3, located in Tulsa, Oklahoma. Approximately 5,000 cubic yards of the 85,000 cubic yards of petitioned wastes were not previously stabilized and would be required to undergo stabilization and verification testing. The petitioned wastes were generated as a part of the facility's wastewater treatment process which operated from 1953 to 1989. The resulting wastes are presently listed as EPA Hazardous Waste No. F019. The petitioned wastes are believed to also have very small amounts of wastes presently classified as F002, F003, and F005. The listed constituents of concern for these waste codes are listed in Table 1.

TABLE 1.—HAZARDOUS WASTE CODES ASSOCIATED WITH WASTEWATER STREAMS

Waste code	Basis for characteristics/listing
F019	Hexavalent Chromium. Cyanide (complexed).
F002	Tetrachloroethylene, trichloroethylene, methylene chloride, 1,1,1-trichloroethane, 1,1,2-trichloroethane, chlorobenzene, 1,1,2-trichloro-1,2,2-trifluoroethane, ortho-dichlorobenzene, trichlorofluoromethane.
F003	Xylene, acetone, ethyl acetate, ethyl benzene, ethyl ether, methyl isobutyl ketone, n-butyl alcohol, cyclohexanone, methanol.
F005	Toluene, methyl ethyl ketone, carbon disulfide, isobutanol, pyridine, benzene, 2-ethoxyethanol, 2-nitropropane.

McDonnell Douglas (Air Force Plant No. 3) petitioned the EPA to exclude the stabilized treatment wastes because it does not believe that the petitioned wastes meet the criteria for which they were listed. McDonnell Douglas further believes that the wastes are not hazardous for any other reason (i.e., there are no additional constituents or factors that could cause the wastes to be hazardous). Review of this petition included consideration of the original listing criteria, as well as the additional factors required by the HSWA. *See* section 222 of HSWA, 42 U.S.C. 6921(f), and 40 CFR 260.22(d)(2)–(4). Today's proposal to grant this petition for delisting is the result of the EPA's evaluation of Air Force Plant No.3's petition as submitted by McDonnell Douglas Corporation.

B. Background

On November 7, 1997, McDonnell Douglas petitioned the EPA to grant a one-time exclusion from the lists of hazardous waste contained in §§ 261.31

and 261.32, a one-time volume of stabilized and solidified wastewater treatment plant sludges which were disposed of in the facility's wastewater surface impoundments which have since been jointly closed as a RCRA landfill unit in accordance with a closure and post-closure plan approved by the Oklahoma Department of Environmental Quality (ODEQ). The wastewater treatment sludges were stabilized with fly ash and then capped with a RCRA cap. Specifically, in its petition, McDonnell Douglas requested that the EPA grant an exclusion for 85,000 cubic yards of stabilized wastewater treatment sludge. The facility characterized the petitioned waste as stabilized with the exception of about 5,000 cubic yards which will require stabilization and verification testing.

In support of its petition, McDonnell Douglas submitted: (1) Descriptions of its wastewater treatment processes and the activities associated with petitioned wastes; (2) results of the total constituent list for 40 CFR part 264, Appendix IX volatiles, semivolatiles, metals, pesticides, herbicides, polychlorinated biphenyls (PCBs), furans, and dioxins; (3) results of the constituent list for Appendix IX on Toxicity Characteristic Leaching Procedure (TCLP) extract for identified constituents; (4) results for total sulfide; (5) results for total cyanide; (6) results for pH; (7) results of the Multiple Extraction Procedure (MEP) for acidic, neutral, and basic extractions; (8) results of ground water monitoring; and (9) results of surface impoundment waste analysis for constituents of concern.

Air Force Plant No. 3 is an inactive plant that was used for maintenance operations on military and commercial aircraft, as well as for manufacturing aerospace and aircraft products. The bulk of the petitioned waste was generated by treatment of wastewater generated by electroplating and metal finishing operations. Analysis indicates that the plant may have treated minor amounts of fuels. Wastes were collected in two separate sewer systems: acid-chrome and alkali-chrome. Wastes were then directed to the onsite industrial wastewater treatment plant. Cyanide was oxidized using chlorine. The chromic wastewater was treated by reduction with sulfur dioxide. The pH was controlled using caustic soda, sulfuric acid, and carbon dioxide. Ferrous sulfate was fed into the clarifier to flocculate solids. The resulting wastewater treatment sludges accumulated in sludge sumps and then were pumped through a pipeline into the system of surface impoundments. In 1989, most of the sludges in the impoundments were stabilized and solidified using fly ash and some clay. Later borings indicated that some of the waste in the lower portion in the northwest section of the impoundments was not completely stabilized. McDonnell Douglas wants to similarly stabilize this waste and delist all waste in all of the impoundments closed as a single RCRA landfill. The waste will then be transported offsite and disposed of in a Subtitle D landfill. It is planned to clean close the Air Force Plant No. 3 landfill under ODEQ authority.

McDonnell Douglas developed a list of constituents of concern from comparing a list of all raw materials used in the plant that could potentially appear in the petitioned waste with those found in 40 CFR part 264. McDonnell Douglas analyzed two composite samples for the total concentrations (i.e., mass of a particular constituent per mass of waste) of the volatiles and semivolatiles, metals, herbicides, pesticides, PCBs, and furans from Appendix IX. These two samples (NW–37 and SE–37) were analyzed for the comprehensive list in order to confirm that there were no other constituents of concern in the surface impoundments.

Twenty-one (21) composite samples were taken from the closed landfill unit. Five of these samples were from the northwest lagoon of the unit where the sludges that are not completely stabilized are located. All samples were analyzed for constituents of concern and were also analyzed to determine whether the waste exhibited ignitable, corrosive, or reactive properties as defined under 40 CFR 261.21, 261.22, and 261.23, including analysis for total constituent concentrations of cyanide and sulfide. These samples were also analyzed for TCLP concentrations (i.e., mass of a particular constituent per unit volume of extract) of all the volatiles, semivolatiles, and metals identified as constituents of concern. The MEP was performed on four samples to test the ability to stabilize eighteen (18) different metals at three different pH's. The procedure was run at three different pH values (2.88, 7, and 13 Standard Units) to determine if a change in pH might significantly alter the leachate concentrations. Historical analytical results from ground water monitoring wells was also submitted for review.

C. EPA Analysis

McDonnell Douglas used SW–846 Methods 8260, 8270, 6010, 7196A, 7471, to quantify the total constituent concentrations of volatiles and semivolatiles (excluding PCBs, pesticides, herbicides) metals, and dioxins/furans. McDonnell Douglas used SW–846 Methods 9045, 9030A, 9012 to quantify pH, total sulfide, and total cyanide. McDonnell Douglas used SW–846 Methods 8260, 8270, 6010, 7196A, 7470 to quantify the constituents from the TCLP extract. The petitioned waste does not meet the definitions for reactivity and corrosivity as defined by §§ 261.22 and 261.23. Tables 2A and 2B present the maximum total constituent and leachate concentrations for the stabilized waste. Tables 3A and 3B present the maximum total constituent and leachate concentrations for the unstabilized sludge waste samples from the bottom of the northwest lagoon of the unit.

McDonnell Douglas calculated, based on a one-time removal and addition of stabilization agents, the maximum petitioned waste to be excluded will be 85,000 cubic yards of stabilized waste.

The EPA reviews a petitioner's estimates and, on occasion, has requested a petitioner to reevaluate the estimated waste volume. The EPA accepted McDonnell Douglas' certified estimates. The EPA does not generally verify submitted test data before proposing delisting decisions. The sworn affidavit submitted with this petition binds the petitioner to present truthful and accurate results. The EPA, however, has maintained a spot-check sampling and analysis program to verify the representative nature of the data for some percentage of the submitted petitions. A spot-check visit to a selected facility may be initiated before finalizing a delisting petition or after granting an exclusion.

TABLE 2A.—MAXIMUM ORGANIC TOTAL CONSTITUENT AND LEACHATE CONCENTRATIONS [1]

[Stabilized Wastewater Treatment Sludge]

Constituents	Total constituent analyses (mg/kg)	Leachate analyses (mg/l)
Acetone	0.53	NA
Benzene	0.003	<0.1
Ethylbenzene	0.004	NA
Toluene	0.035	NA
Xylenes	0.019	NA
Phenol	0.39	NA

< Denotes that the constituent was not detected at the detection limit specified in the table.

[1] These levels represent the highest concentration of each constituent found in any one sample. These levels do not necessarily represent the specific levels found in one sample.

NA Denotes that the constituent was not analyzed.

TABLE 2B.—MAXIMUM INORGANIC TOTAL CONSTITUENT AND LEACHATE CONCENTRATIONS [1]

[Stabilized Wastewater Treatment Sludge]

Constituents	Total constituent analyses (mg/kg)	Leachate analyses (mg/l)
Antimony	0.42	0.0145
Arsenic	31.7	0.057
Barium	2860	3.4
Beryllium	2.4	0.0195
Cadmium	39.8	0.323
Chromium (Total)	9710	9.79
Chromium (Hexavalent)	0.42	0.06
Cobalt	16.1	0.0673
Copper	163	0.301

TABLE 2B.—MAXIMUM INORGANIC TOTAL CONSTITUENT AND LEACHATE CONCENTRATIONS [1]—Continued

[Stabilized Wastewater Treatment Sludge]

Constituents	Total constituent analyses (mg/kg)	Leachate analyses (mg/l)
Lead	89	0.0422
Mercury	0.09	0.00025
Nickel	64.4	0.28
Selenium	11.3	0.0691
Silver	0.4	0.03
Thallium	0.47	0.005
Tin	35.9	<0.014
Vanadium	228	0.141
Zinc	229	0.519
Sulfide (Total)	<50	NA
Cyanide (Total)	7	NA

TABLE 2B.—MAXIMUM INORGANIC TOTAL CONSTITUENT AND LEACHATE CONCENTRATIONS [1]—Continued

[Stabilized Wastewater Treatment Sludge]

Constituents	Total constituent analyses (mg/kg)	Leachate analyses (mg/l)
pH (Standard Units)	6.19	—

< Denotes that the constituent was not detected at the detection limit specified in the table.

[1] These levels represent the highest concentration of each constituent found in any one sample. These levels do not necessarily represent the specific levels found in one sample.

NA Denotes that the constituent was not analyzed.

TABLE 3A.—MAXIMUM ORGANIC TOTAL CONSTITUENT AND LEACHATE CONCENTRATIONS [1] UNSTABILIZED WASTEWATER TREATMENT SLUDGE

Constituents	Total Constituent Analyses (mg/kg)	Leachate Analyses (mg/l)
Acetone	0.15	NA
Benzene	0.185	<0.1
Ethylbenzene	158	NA
Toluene	3000	NA
Xylenes	792	NA
trans-1,2-Dichloroethene	0.212	NA
Tetrachloroethene	0.64	<0.1
Trichloroethylene	1090	17.3
m-Cresol	<0.38	0.09
p-Cresol	<0.38	0.09

<Denotes that the constituent was not detected at the detection limit specified in the table.

[1] These levels represent the highest concentration of each constituent found in any one sample. These levels do not necessarily represent the specific levels found in one sample.

NA Denotes that the constituent was not analyzed.

D. EPA Evaluation

The EPA considered the appropriateness of alternative waste management scenarios for McDonnell Douglas' stabilized wastewater treatment waste from the closed impoundments. The EPA decided, based on the information provided in the petition, that disposal of the petitioned waste in a municipal or industrial solid waste landfill is the most reasonable, worst-case scenario.

TABLE 3B.—MAXIMUM INORGANIC TOTAL CONSTITUENT AND LEACHATE CONCENTRATIONS [1] Unstabilized Wastewater Treatment Sludge

Constituents	Total Constituent Analyses (mg/kg)	Leachate Analyses (mg/l)
Antimony	5.4	0.0952
Arsenic	43	0.0873
Barium	3060	3.58
Beryllium	2.3	0.0093
Cadmium	52.2	0.411
Chromium (Total)	3820	1.36
Chromium (Hexavalent)	<0.25	<0.05
Cobalt	19.4	0.0478
Copper	157	0.2
Lead	220	0.0737
Mercury	0.25	0.00015
Nickel	40.7	0.21
Selenium	5.8	0.028
Silver	1.2	<0.001
Thallium	0.3	<0.005
Tin	8.4	<0.014
Vanadium	138	0.111
Zinc	535	1.25

TABLE 3B.—MAXIMUM INORGANIC TOTAL CONSTITUENT AND LEACHATE CONCENTRATIONS [1] Unstabilized Wastewater Treatment Sludge—Continued

Constituents	Total Constituent Analyses (mg/kg)	Leachate Analyses (mg/l)
Sulfide (Total)	<50	NA
Cyanide (Total)	4	NA
pH (Standard Units)	06.89–9.43 range	

<Denotes that the constituent was not detected at the detection limit specified in the table.
[1] These levels represent the highest concentration of each constituent found in any one sample. These levels do not necessarily represent the specific levels found in one sample.
NA Denotes that the constituent was not analyzed.

Under a landfill disposal scenario, the major exposure route of concern for any hazardous constituents would be ingestion of contaminated ground water. The EPA, therefore, evaluated the petitioned wastes using the modified EPACML which predicts the potential for ground water contamination from wastes that are landfilled. *See* 56 FR 32993 (July 18, 1991), 56 FR 67197 (December 30, 1991) and the RCRA public docket for these notices for a detailed description of the EPACML model, the disposal assumptions, and the modifications made for delisting. This model, which includes both unsaturated and saturated zone transport modules, was used to predict reasonable worst-case contaminant levels in ground water at a compliance point (i.e., a receptor well serving as a drinking-water supply). Specifically, the model estimated the dilution/attenuation factor (DAF) resulting from subsurface processes such as three-dimensional dispersion and dilution from ground water recharge for a specific volume of waste.

For the evaluation of McDonnell Douglas' petitioned wastes, the EPA used the EPACML to evaluate the mobility of the hazardous constituents detected in the extract of samples of McDonnell Douglas' Stabilized Wastewater Treatment Sludge. Typically, the EPA uses the maximum annual waste volume to derive a petition-specific DAF. The DAFs are currently calculated assuming an ongoing process generates wastes for 20 years. Since the petitioned waste would be a one-time disposal, the waste volume is divided by twenty to correctly determine a DAF. Therefore, the DAF for the waste volume of 85,000 cubic yards is 56.

The EPA's evaluation of the stabilized wastewater treatment sludges using a DAF of 56, a maximum one-time disposal waste volume estimate of 85,000 cubic yards, and the maximum reported TCLP concentrations (see Tables 2A and 2B), yielded compliance point concentrations (see Tables 4A and 4B) that are below the current health-based levels except for the constituent cadmium which is discussed below.

TABLE 4A.—EPACML: CALCULATED COMPLIANCE-POINT ORGANIC CONCENTRATIONS STABILIZED WASTE

Organic Constituents	Compliance Point Concentrations [1] (mg/l)	Levels of Concern [2] (mg/l)
Acetone	0.00946	4.0
Benzene	0.0000536	0.005
Ethyl Benzene	0.0000714	0.7
Toluene	0.000625	1.0
Xylenes	0.000339	10
Phenols	0.00696	20
Cyanide	0.125	0.2

< Denotes that the constituent was not detected at the detection limit specified in the table.
[1] Using the maximum TCLP leachate level from Table 2A and based on a DAF of 56 calculated using the EPACML for a one-time volume of 85,000 cu. yards. Waste concentrations in the northwest lagoon were not included as the bottom waste must be stabilized to be excluded.
[2] *See* Docket Report on Health-Based Levels and Solubilities Used in the Evaluation of Delisting Petitions, December 1994 located in the RCRA public docket for today's notice.

In Table 4A, the maximum reported leachate concentrations of the organic constituents detected in the stabilized waste are compared with the levels of concern. For this comparison, EPA conservatively used available total values and assumed the total concentration would leach. The maximum reported leachate concentrations of acetone, benzene, ethylbenzene, toluene, and xylene yielded compliance point concentrations below the health-based levels used in delisting decision-making. The EPA did not evaluate the mobility of the remaining organic constituents (e.g., trans-1,2-dichloroethene, tetrachloroethylene, trichloroethylene, vinyl chloride, m-cresol, and p-cresol) from McDonnell Douglas' stabilized waste because they were not detected in the leachate or total chemical analysis using the appropriate analytical test methods. The EPA believes that it is inappropriate to evaluate nondetectable concentrations of a constituent of concern in its delisting modeling efforts if the nondetectable value was obtained using the appropriate analytical method. If a constituent cannot be detected (when using the appropriate analytical method with an adequate detection limit), the EPA, for delisting purposes, assumes that the constituent is not present and therefore does not present a threat to human health or the environment. In the delisting program EPA believes it is inappropriate to evaluate constituents undetected in the waste samples. This procedure is consistent with other programs.

In Table 4B, the maximum reported or calculated leachate concentrations of the inorganic constituents detected in the stabilized waste are compared with the levels of regulatory concern. The maximum reported or calculated

leachate concentrations of antimony, barium, beryllium, total chromium, hexavalent chromium, cobalt, copper, lead, mercury, nickel, selenium, silver, thallium, vanadium, and zinc yielded compliance point concentrations below the health-based levels used in the delisting decision-making. The EPA did not evaluate the mobility of the inorganic constituent tin from McDonnell Douglas' stabilized waste because it was not detected in the leachate using the appropriate analytical test methods (see Table 2B). The maximum reported leachate concentration for a single sample of cadmium yielded a calculated compliance point concentration (0.00577 mg/l) slightly above the health-based level (0.005 mg/l) used in the delisting decision-making process.

The cadmium value (0.00577 mg/l) represents the calculated leachate concentrations of cadmium at a theoretical downgradient ground water monitoring well using the EPACML model and a concentration value of 0.323 mg/l TCLP from one stabilized waste sample. This value was the highest concentration identified for the sixteen (16) TCLP analyses or the eighty-one (81) MEP analyses completed for cadmium. The 0.323 mg/l value was the first extraction for an acidic extraction. The second extract from the same sample yielded a value of 0.213 mg/l which would in turn produce a calculated compliance point concentration of 0.0038 mg/l which is below the level of regulatory concern.

TABLE 4B.—EPACML: CALCULATED INORGANIC COMPLIANCE-POINT CONCENTRATIONS STABILIZED WASTE

Inorganic Constituents	Compliance Point Concentrations [1] (mg/l)	Levels of Concern [2] (mg/l)
Antimony	0.000259	0.006
Arsenic	0.001	0.05
Barium	0.0607	2.0
Beryllium	0.000348	0.004
Cadmium	0.00577	0.005
Chromium (total)	0.175	37
Chromium, hexavalent	0.00107	0.1
Cobalt	0.0012	2.1
Copper	0.0054	1.3
Lead	0.00075	0.015
Mercury	0.00000446	0.002
Nickel	l0.005	0.1
Selenium	0.00123	0.05
Silver	0.000536	0.2
Thallium	0.0000893	0.002
Vanadium	0.00252	0.2
Zinc	0.00927	10.0

[1] Using the maximum TCLP leachate level from Table 2B and based on a DAF of 56 calculated using the EPACML for an one-time volume of 85,000 cu. yards. Waste concentrations in the northwest lagoon were not included as the bottom waste must be stabilized to be excluded.

[2] See *Docket Report on Health-Based Levels and Solubilities Used in the Evaluation of Delisting Petitions*, December 1994 located in the RCRA public docket for today's notice.

The concentration values for this sample continued a steady decline to 0.0022 mg/l for the ninth extraction in the MEP. The steady decline in concentration is an indication that the waste will not leach more hazardous constituents over time and therefore is stabilized. The next highest cadmium TCLP or MEP value for another sample of stabilized waste is a concentration of 0.14 mg/l which would yield a compliance point concentration of 0.0025 mg/l compared to the level of regulatory concern value of 0.005 mg/l. This sample and all other stabilized samples (14 samples, 86 analyses) of stabilized waste exhibit lower cadmium values. The concentration value for the 95 per cent upper confidence level of the mean is calculated at a concentration of 0.0236 mg/l which yielded a calculated compliance point concentration of 0.00042 mg/l which is well below the health-based level of 0.005 mg/l for cadmium used in the delisting decision-making. Ground water monitoring data submitted by the facility also indicated that the waste was not leaching as constituents of concern have not been detected by the monitoring program in concentrations of regulatory concern. Therefore, after further detailed evaluation, EPA does not consider the cadmium concentrations to be above health-based levels for purposes of delisting.

The EPA concluded, after reviewing McDonnell Douglas' processes that no other hazardous constituents of concern, other than those for which tested, are likely to be present or formed as reaction products or by-products in McDonnell Douglas' wastes. In addition, on the basis of explanations and analytical data provided by McDonnell Douglas, pursuant to § 260.22, the EPA concludes that the stabilized petitioned wastes do not exhibit any of the characteristics of ignitability, corrosivity, or reactivity. *See* §§ 261.21, 261.22, and 261.23, respectively.

During the evaluation of McDonnell Douglas' petition, the EPA also considered the potential impact of the petitioned wastes via non-ground water routes (i.e., air emission and surface runoff). With regard to airborne dispersion in particular, the EPA believes that exposure to airborne contaminants from the petitioned wastes is unlikely; no appreciable air releases are likely from the petitioned wastes under any likely disposal conditions. The EPA evaluated, however, the potential hazards resulting from the unlikely scenario of airborne exposure to hazardous constituents released from the petitioned wastes in an open landfill. The results of this worst case analysis indicated that there is no substantial present or potential hazard to human health from airborne exposure to constituents from the stabilized wastes. A description of the EPA's assessment of the potential impact of McDonnell Douglas' wastes, regarding airborne dispersion of waste contaminants, is presented in the RCRA public docket for today's proposed rule.

The EPA also considered the potential impact of the petitioned wastes via a

surface water route. The EPA believes that containment structures at municipal solid waste landfills can effectively control surface water runoff, as the Subtitle D regulations (*See* 56 FR 50978, October 9, 1991) prohibit pollutant discharges into surface waters. Furthermore, the concentrations of any hazardous constituents dissolved in the run-off will tend to be lower than the levels in the TCLP leachate analyses reported in today's notice due to the aggressive acidic medium used for extraction in the TCLP. The EPA believes that, in general, leachate derived from the wastes is unlikely to directly enter a surface water body without first traveling through the saturated subsurface where dilution and attenuation of hazardous constituents will also occur. Leachable concentrations provide a direct measure of solubility of a toxic constituent in water and are indicative of the fraction of the constituent that may be mobilized in surface water as well as ground water.

Based on the reasons discussed above, EPA believes that the contamination of surface water through runoff from the waste disposal area is very unlikely. Nevertheless, the EPA evaluated the potential impacts on surface water if McDonnell Douglas' waste were released from a municipal solid waste landfill through runoff and erosion. See the RCRA public docket for today's proposed rule. The estimated levels of the hazardous constituents of concern in surface water would be well below health-based levels for human health, as well as below the EPA Chronic Water Quality Criteria for aquatic organisms (USEPA, OWRS, 1987). The EPA, therefore, concluded that McDonnell Douglas' stabilized waste is not a substantial present or potential hazard to human health and the environment via the surface water exposure pathway.

E. Conclusion

The EPA believes that the descriptions of the McDonnell Douglas' chemical hazardous waste process and analytical characterization, in conjunction with the proposed verification testing requirements (as discussed later in this notice), provide a reasonable basis to grant McDonnell Douglas' petition for a standard one-time exclusion of the stabilized waste and a conditional one-time exclusion for the unstabilized wastes in the bottom of the northwest lagoon of the landfill unit. The EPA believes the data submitted in support of the petition show McDonnell Douglas' process can render the wastes in the northwest quadrant of the surface impoundment which was closed as a landfill non-hazardous. The EPA has reviewed the sampling procedures used by McDonnell Douglas and has determined they satisfy EPA criteria for collecting representative samples of the variations in constituent concentrations in the petitioned waste. The data submitted in support of the petition show that constituents in McDonnell Douglas' stabilized waste are presently below health-based levels used in the delisting decision-making. The EPA believes that McDonnell Douglas has successfully shown that the stabilized waste is non-hazardous. The EPA, therefore, proposes to grant a standard one-time exclusion to the McDonnell Douglas Corporation, located in Tulsa, Oklahoma, for the stabilized waste in the landfill and a conditional one-time exclusion for the unstabilized waste in the bottom of the northwest lagoon of the unit as described in its petition. The EPA's decision to exclude this waste is based on descriptions the historical wastewater treatment activities associated with the petitioned waste and characterization of the stabilized and unstabilized waste. If the proposed rule is finalized, the petitioned wastes will no longer be subject to regulation under parts 262 through 268 and the permitting standards of part 270.

F. Verification Testing Conditions

(1) *Delisting Levels:* All leachable concentrations for the following constituents in the approximately 5,000 cubic yards of unstabilized waste in the bottom portion of the northwest lagoon of the surface impoundments closed as a landfill must not exceed the following levels (ppm) after the stabilization process is completed as according to Condition (3). Constituents must be measured in the waste leachate by the method specified in 40 CFR 261.24. Cyanide extractions must be conducted using distilled water in the place of the leaching media per 40 CFR 261.24.

(A) Inorganic Constituents

Antimony-0.336; Cadmium-0.280; Hexavalent Chromium-5.0; Lead-0.84; Cyanide-11.2;

(B) Organic Constituents

Benzene-0.28; Ethylbenzene-39.2; Toluene-56.; Xylenes-560.; trans-1,2-Dichloroethene-5.6; Tetrachloroethylene-0.280; Trichloroethylene-0.280

The approximately 80,000 cubic yards of previously stabilized waste in the upper northwest lagoon, entire northeast lagoon, and entire south lagoon of the surface impoundments which were closed as a landfill requires no verification testing.

This paragraph provides the levels of constituents for which McDonnell Douglas must test the leachate from the wastes in the bottom of the northwest lagoon after completion of a stabilization process similar to that was used in other portions of the surface impoundments which were closed as a single landfill. These are the levels below which this waste would be considered non-hazardous and for which the Agency is proposing to grant a one time conditional exclusion. The EPA selected the set of inorganic and organic constituents specified after reviewing information about the composition of the waste, descriptions of McDonnell Douglas' historical wastewater treatment process, previous test data provided for the waste, and the respective health-based levels (HBL) used in delisting decision-making. The EPA established the proposed delisting levels for this paragraph by back-calculating the Maximum Allowable Leachate (MALs) concentrations from the health-based levels for the constituents of concern using the EPACML chemical-specific DAF of 56 (See, previous discussions in Section D—*Agency Evaluation*) i.e., MAL = HBL x DAF). These delisting levels correspond to the allowable levels measured in the TCLP extract of the waste. The TCLP for the cyanide constituent would be modified to test the waste by substitution of deionized water for the extraction fluid. The hexavalent chromium concentration was set a value not to exceed 5.0 mg/l TCLP concentration in order not to exceed regulatory levels found in 40 CFR 261.24. The modeled value would be at a concentration of 5.6 mg/l TCLP concentration. The stabilized wastes in the landfill have been demonstrated as meeting the delisting levels and therefore will require no further verification testing. A standard one-time exclusion for those wastes is proposed.

(2) *Waste Holding and Handling*: McDonnell Douglas must store as hazardous all stabilized waste from the bottom portion of the northwest lagoon area of the closed landfill as generated until verification testing as specified in Condition (3), is completed and valid analyses demonstrate that condition (1) is satisfied. If the levels of constituents measured in the samples of the stabilized waste do not exceed the levels set forth in Condition (1), then the waste is nonhazardous and may be managed and disposed of in a Subtitle D landfill in accordance with all applicable solid waste regulations. If constituent levels in a sample exceed any of the delisting levels set in Condition (1), the waste generated during the time period corresponding to this sample must be restabilized until delisting levels are met or managed and disposed of in accordance with Subtitle C of RCRA.

The purpose of this paragraph is to ensure that any unstabilized waste located in the bottom of the northwest lagoon area of the closed surface impoundments which might contain

hazardous levels of inorganic and organic constituents are managed and disposed of in accordance with Subtitle C of RCRA. Holding the unstabilized waste from the northwest area until characterization is complete will protect against improper handling of hazardous material. If the EPA determines that the data collected under this condition do not support the data provided for the petition or McDonnell Douglas is not meeting the terms of its exclusion, the exclusion will not cover the petitioned wastes.

(3) *Verification Testing Requirements*: Sample collection and analyses, including quality control procedures, must be performed according to SW–846 methodologies. McDonnell Douglas must stabilize the previously unstabilized waste from the bottom portion of the northwest lagoon of the surface impoundment (which was closed as a landfill) using fly ash, kiln dust or similar accepted materials in batches of 500 cubic yards or less. McDonnell Douglas must analyze one composite sample from each batch of 500 cubic yards or less. A minimum of four grab samples must be taken from each waste pile (or other designated holding area) of stabilized waste generated from each batch run. Each composited batch sample must be analyzed, prior to disposal of the waste in the batch represented by that sample, for constituents listed in Condition (1). There are no verification testing requirements for the stabilized wastes in the upper portions of the northwest lagoon, the entire northeast lagoon, and the entire south lagoon of the surface impoundments which were closed as a landfill.

(4) *Changes in Operating Conditions*: If McDonnell Douglas significantly changes the stabilization process established under Condition (3) (*e.g.*, use of new stabilization agents), McDonnell Douglas must notify the Agency in writing. After written approval by EPA, McDonnell Douglas may handle the wastes generated as non-hazardous, if the wastes meet the delisting levels set in Condition (1).

(5) *Data Submittals*: Records of operating conditions and analytical data from Condition (3) must be compiled, summarized, and maintained on site for a minimum of five years. These records and data must be furnished upon request by EPA, or the State of Oklahoma, or both, and be made available for inspection. Failure to submit the required data within the specified time period or maintain the required records on site for the specified time will be considered by EPA, at its discretion, sufficient basis to revoke the exclusion to the extent directed by EPA. All data must be accompanied by a signed copy of the following certification statement to attest to the truth and accuracy of the data submitted:

Under civil and criminal penalty of law for the making or submission of false or fraudulent statements or representations (pursuant to the applicable provisions of the Federal Code, which include, but may not be limited to, 18 USC § 1001 and 42 USC § 6928), I certify that the information contained in or accompanying this document is true, accurate and complete.

As to the (those) identified section(s) of this document for which I cannot personally verify its (their) truth and accuracy, I certify as the company official having supervisory responsibility for the persons who, acting under my direct instructions, made the verification that this information is true, accurate and complete.

In the event that any of this information is determined by EPA in its sole discretion to be false, inaccurate or incomplete, and upon conveyance of this fact to the company, I recognize and agree that this exclusion of waste will be void as if it never had effect or to the extent directed by EPA and that the company will be liable for any actions taken in contravention of the company's RCRA and CERCLA obligations premised upon the company's reliance on the void exclusion.

To provide appropriate documentation that McDonnell Douglas' facility is properly stabilizing the waste, all analytical data obtained through Condition (3), including quality control information, must be compiled, summarized, and maintained on site for a minimum of five years. Condition (5) requires that these data be furnished upon request and made available for inspection by any employee or representative of EPA or the State of Oklahoma.

If made final, the proposed exclusion will apply to 85,000 cubic yards of petitioned waste. The facility would be required to submit a new petition if the stabilization process specified for the northwest lagoon area of the closed landfill is significantly altered.

Although management of the wastes covered by this petition would not be subject to Subtitle C jurisdiction upon final promulgation of an exclusion, McDonnell Douglas must ensure that the waste is delivered to an off-site storage, treatment, or disposal facility, either of which is permitted, licensed, or registered by a State to manage municipal or industrial solid waste.

(6) *Reopener*

(a) If McDonnell Douglas discovers that a condition at the facility or an assumption related to the disposal of the excluded waste that was modeled or predicted in the petition does not occur as modeled or predicted, then McDonnell Douglas must report any information relevant to that condition, in writing, to the Regional Administrator or his delegate within 10 days of discovering that condition.

(b) Upon receiving any information including that described in paragraph (a) regardless of its source, the Regional Administrator or his delegate will determine whether the reported condition requires further action. Further action may include revoking the exclusion, modifying the exclusion, or other appropriate response necessary to protect human health and the environment.

The purpose of paragraph (6) is to require McDonnell Douglas to disclose new or different information related to a condition at the facility or disposal of the waste if it had or has bearing on the delisting. This paragraph will allow EPA to reevaluate the exclusion if new or additional information is provided to the Agency from any source which indicates that information which EPA's decision was based was incorrect or circumstances have changed such that information is no longer correct or would cause EPA to deny the petition if then presented. Further, although this provision expressly requires McDonnell Douglas to report differing site conditions or assumptions used in the petition within 10 days of discovery, if EPA discovers such information itself or from a third party, it can act on it as appropriate. The language being proposed is similar to these provisions found in RCRA regulations governing no-migration petitions located at § 268.6.

The EPA believes that it has the authority under RCRA and the Administrative Procedures Act, 5 U.S.C. 551 (1978), *et seq.*, to reopen a delisting decision if new information is received that calls into question the assumptions underlying the delisting and believes that a clear statement of its authority in the context of delistings is merited in light of Agency experience. (See, e.g., Reynolds Metals Company at 62 FR 37694 and 62 FR 63458 where the delisted waste did not leach in the actual disposal site as it had been modeled thus leading the Agency to repeal the delisting.) In the meantime, in the event that an immediate threat to human health and the environment presents itself, EPA will continue to address such situations on a case-by-case basis and where necessary, will make a good cause finding to justify emergency rulemaking. *See* APA § 553(b).

(7) *Notification Requirements*: McDonnell Douglas must provide a one-time written notification to any State Regulatory Agency to which or through which the delisted waste described above will be transported for disposal at least 60 days prior to the commencement of such activity. The one-time written notification must be updated if the delisted waste is shipped to a different disposal facility. Failure to provide such a notification will result in a violation of the delisting petition and a possible revocation of the decision.

III. Effective Date

The EPA intends that this rule should become effective immediately upon final publication. The Hazardous and Solid Waste Amendments of 1984 amended section 3010 of RCRA to allow

rules to become effective in less than six months when the regulated community does not need the six-month period to come into compliance. That is the case here, because this rule, if finalized, would reduce the existing requirements for persons generating hazardous wastes. In light of the unnecessary hardship and expense that would be imposed on this petitioner by an effective date six months after publication and the fact that a six-month deadline is not necessary to achieve the purpose of section 3010, EPA believes that this exclusion should be effective immediately upon final publication. These reasons also provide a basis for making this rule effective immediately, upon final publication, under the Administrative Procedure Act, 5 USC § 553(d).

IV. Regulatory Impact

Under Executive Order 12866, EPA must conduct an ''assessment'' of the potential costs and benefits for all ''significant'' regulatory actions. The proposal to grant an exclusion is not significant, since its effect, if promulgated, would be to reduce the overall costs and economic impact of EPA's hazardous waste management regulations. This reduction would be achieved by excluding waste generated at a specific facility from EPA's lists of hazardous wastes, thereby enabling this facility to manage its waste as nonhazardous. There is no additional impact therefore, due to today's proposed rule. Therefore, this proposal would not be a significant regulation and no cost/benefit assessment is required. The Office of Management and Budget (OMB) has also exempted this rule from the requirement for OMB review under Section (6) of Executive Order 12866.

V. Children's Health Protection

Under EO 13045, for all ''significant'' regulatory actions as defined by EO 12866, EPA must provide an evaluation of the environmental health or safety effect of a proposed rule on children and an explanation of why the proposed rule is preferable to other potentially effective and reasonably feasible alternatives considered by EPA. This proposal is not a significant regulatory action and is exempt from EO 13045.

VI. Regulatory Flexibility Act

Pursuant to the Regulatory Flexibility Act, 5 U.S.C. 601–612, whenever an agency is required to publish a general notice of rulemaking for any proposed or final rule, it must prepare and make available for public comment a regulatory flexibility analysis that describes the impact of the rule on small entities (i.e., small businesses, small organizations, and small governmental jurisdictions). No regulatory flexibility analysis is required, however, if the Administrator or delegated representative certifies that the rule will not have any impact on any small entities.

This rule, if promulgated, will not have any adverse economic impact on any small entities since its effect would be to reduce the overall costs of EPA's hazardous waste regulations and would be limited to one facility. Accordingly, I hereby certify that this proposed regulation, if promulgated, will not have a significant economic impact on a substantial number of small entities. This regulation, therefore, does not require a regulatory flexibility analysis.

VII. Paperwork Reduction Act

Information collection and recordkeeping requirements associated with this proposed rule have been approved by the OMB under the provisions of the Paperwork Reduction Act of 1980 (Pub. L. 96–511, 44 U.S.C. 3501 *et seq.*) and have been assigned OMB Control Number 2050–0053.

VIII. Unfunded Mandates Reform Act

Under section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA), Pub. L. 104–4, which was signed into law on March 22, 1995, EPA generally must prepare a written statement for rules with Federal mandates that may result in estimated costs to State, local, and tribal governments in the aggregate, or to the private sector, of $100 million or more in any one year. When such a statement is required for EPA rules, under section 205 of the UMRA, EPA must identify and consider alternatives, including the least costly, most cost-effective or least burdensome alternative that achieves the objectives of the rule. The EPA must select that alternative, unless the Administrator explains in the final rule why it was not selected or it is inconsistent with law. Before EPA establishes regulatory requirements that may significantly or uniquely affect small governments, including tribal governments, it must develop under section 203 of the UMRA a small government agency plan. The plan must provide for notifying potentially affected small governments, giving them meaningful and timely input in the development of EPA regulatory proposals with significant Federal intergovernmental mandates, and informing, educating, and advising them on compliance with the regulatory requirements. The UMRA generally defines a Federal mandate for regulatory purposes as one that imposes an enforceable duty upon state, local or tribal governments or the private sector. The EPA finds that today's proposed delisting decision is deregulatory in nature and does not impose any enforceable duty upon state, local or tribal governments or the private sector. In addition, the proposed delisting does not establish any regulatory requirements for small governments and so does not require a small government agency plan under UMRA section 203.

IX. Intergovernmental Partnership

Under EO 12875, EPA may not promulgate any regulation which creates an unfunded mandate upon State, local or tribal governments. The EPA finds that today's proposed delisting decision is deregulatory in nature and does not impose any enforceable duty upon state, local or tribal governments (*See,* Section IX. (UMRA) above) and accordingly, this action is exempt from the requirements of EO 12875.

List of Subjects in 40 CFR Part 261

Environmental protection, Hazardous Waste, Recycling, Reporting and recordkeeping requirements.

Dated: June 18, 1998.

William N. Rhea,

Acting Division Director of Multimedia Planning and Permitting.

For the reasons set out in the preamble, 40 CFR part 261 is proposed to be amended as follows:

PART 261—IDENTIFICATION AND LISTING OF HAZARDOUS WASTE

1. The authority citation for part 261 continues to read as follows:

Authority: 42 U.S.C. 6905, 6912(a), 6921, 6922, and 6938.

2. In Tables 1, 2, and 3 of Appendix IX of part 261 it is proposed to add the following waste stream in alphabetical order by facility to read as follows:

Appendix IX to Part 261—Wastes Excluded Under Parts 260.20 and 260.22

TABLE 1.—WASTES EXCLUDED FROM NON-SPECIFIC SOURCES

Facility	Address	Waste description
* *	*	* * * *
McDonnell Douglas Corporation	Tulsa, Oklahoma	Stabilized wastewater treatment sludges from surface impoundments previously closed as a landfill (at a maximum generation of 85,000 cubic yards on a one-time basis). (EPA Hazardous Waste No. F019, F002, F003, and F005) generated at U.S. Air Force Plant No. 3, Tulsa, Oklahoma and is disposed of in Subtitle D landfills after [insert publication date of final rule]. McDonnell Douglas must implement a testing program that meets the following conditions for the exclusion to be valid: (1) *Delisting Levels:* All leachable concentrations for the following constituents in the approximately 5,000 cubic yards of unstabilized waste in the bottom portion of the northwest lagoon of the surface impoundments which are closed as a landfill must not exceed the following levels (ppm) after the stabilization process is completed in accordance with Condition (3). Constituents must be measured in the waste leachate by the method specified in 40 CFR 261.24. Cyanide extractions must be conducted using distilled water in the place of the leaching media per 40 CFR 261.24. (A) Inorganic Constituents Antimony-0.336; Cadmium-0.280; Hexavalent Chromium-5.0; Lead-0.84; Cyanide-11.2; (B) Organic Constituents Benzene-0.28; Ethylbenzene-39.2; Toluene-56.; Xylenes-560.; trans-1,2–Dichloroethene-5.6; Tetrachloroethylene-0.280; Trichloroethylene-0.280 The approximately 80,000 cubic yards of previously stabilized waste in the upper northwest lagoon, entire northeast lagoon, and entire south lagoon of the surface impoundments which were closed as a landfill requires no verification testing. (2) *Waste Holding and Handling:* McDonnell Douglas must store as hazardous all stabilized waste from the bottom portion of the northwest lagoon area of the closed landfill as generated until verification testing as specified in Condition (3), is completed and valid analyses demonstrate that condition (1) is satisfied. If the levels of constituents measured in the samples of the stabilized waste do not exceed the levels set forth in Condition (1), then the waste is nonhazardous and may be managed and disposed of in a Subtitle D landfill in accordance with all applicable solid waste regulations. If constituent levels in a sample exceed any of the delisting levels set in Condition (1), the waste generated during the time period corresponding to this sample must be restabilized until delisting levels are met or managed and disposed of in accordance with Subtitle C of RCRA. (3) *Verification Testing Requirements:* Sample collection and analyses, including quality control procedures, must be performed according to SW–846 methodologies. McDonnell Douglas must stabilize the previously unstabilized waste from the bottom portion of the northwest lagoon of the surface impoundment (which was closed as a landfill) using fly ash, kiln dust or similar accepted materials in batches of 500 cubic yards or less. McDonnell Douglas must analyze one composite sample from each batch of 500 cubic yards or less. A minimum of four grab samples must be taken from each waste pile (or other designated holding area) of stabilized waste generated from each batch run. Each composited batch sample must be analyzed, prior to disposal of the waste in the batch represented by that sample, for constituents listed in Condition (1). There are no verification testing requirements for the stabilized wastes in the upper portions of the northwest lagoon, the entire northeast lagoon, and the entire south lagoon of the surface impoundments which were closed as a landfill. (4) *Changes in Operating Conditions:* If McDonnell Douglas significantly changes the stabilization process established under Condition (3) (e.g., use of new stabilization agents), McDonnell Douglas must notify the Agency in writing. After written approval by EPA, McDonnell Douglas may handle the wastes generated as non-hazardous, if the wastes meet the delisting levels set in Condition (1). (5) *Data Submittals:* Records of operating conditions and analytical data from Condition (3) must be compiled, summarized, and maintained on site for a minimum of five years. These records and data must be furnished upon request by EPA, or the State of Oklahoma, or both, and made available for inspection. Failure to submit the required data within the specified time period or maintain the required records on site for the specified time will be considered by EPA, at its discretion, sufficient basis to revoke the exclusion to the extent directed by EPA. All data must be accompanied by a signed copy of the following certification statement to attest to the truth and accuracy of the data submitted:

TABLE 1.—WASTES EXCLUDED FROM NON-SPECIFIC SOURCES—Continued

Facility	Address	Waste description
		Under civil and criminal penalty of law for the making or submission of false or fraudulent statements or representations (pursuant to the applicable provisions of the Federal Code, which include, but may not be limited to, 18 USC § 1001 and 42 USC § 6928), I certify that the information contained in or accompanying this document is true, accurate and complete. As to the (those) identified section(s) of this document for which I cannot personally verify its (their) truth and accuracy, I certify as the company official having supervisory responsibility for the persons who, acting under my direct instructions, made the verification that this information is true, accurate and complete. In the event that any of this information is determined by EPA in its sole discretion to be false, inaccurate or incomplete, and upon conveyance of this fact to the company, I recognize and agree that this exclusion of waste will be void as if it never had effect or to the extent directed by EPA and that the company will be liable for any actions taken in contravention of the company's RCRA and CERCLA obligations premised upon the company's reliance on the void exclusion. (6) *Reopener Language* (a) If McDonnell Douglas discovers that a condition at the facility or an assumption related to the disposal of the excluded waste that was modeled or predicted in the petition does not occur as modeled or predicted, then McDonnell Douglas must report any information relevant to that condition, in writing, to the Regional Administrator or his delegate within 10 days of discovering that condition. (b) Upon receiving information described in paragraph (a) from any source, the Regional Administrator or his delegate will determine whether the reported condition requires further action. Further action may include revoking the exclusion, modifying the exclusion, or other appropriate response necessary to protect human health and the environment. (7) *Notification Requirements:* McDonnell Douglas must provide a one-time written notification to any State Regulatory Agency to which or through which the delisted waste described above will be transported for disposal at least 60 days prior to the commencement of such activity. The one-time written notification must be updated if the delisted waste is shipped to a different disposal facility. Failure to provide such a notification will result in a violation of the delisting petition and a possible revocation of the decision.
* *	*	* * * *

[FR Doc. 98–18732 Filed 7–13–98; 8:45 am]
BILLING CODE 6560–50–P

FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Part 67

[Docket No. FEMA–7250]

Proposed Flood Elevation Determinations

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 and modified 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: Matthew B. Miller, P.E., Chief, Hazards Study Branch, Mitigation Directorate, 500 C Street SW., Washington, DC 20472, (202) 646–3461.

SUPPLEMENTARY INFORMATION: The Federal Emergency Management 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 Associate Director for Mitigation 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 NFIP. No regulatory flexibility analysis has 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.

List of Subjects in 44 CFR Part 67

Administrative practice and procedure, Flood insurance, Reporting and recordkeeping requirements.

Accordingly, 44 CFR Part 67 is proposed to be amended as follows:

PART 67—[AMENDED]

1. The authority citation for part 67 continues to read as follows:

Authority: 42 U.S.C. 4001 et seq.; Reorganization Plan No. 3 of 1978, 3 CFR, 1978 Comp., p. 329; E.O. 12127, 44 FR 19367, 3 CFR, 1979 Comp., p. 376.

§ 67.4 [AMENDED]

2. The tables published under the authority of § 67.4 are proposed to be amended as follows:

State	City/town/county	Source of flooding	Location	# Depth in feet above ground. * Elevation in feet. (NGVD)	
				Existing	Modified
Alaska	Homer (City) Kenai Peninsula Borough.	Kachemak Bay	At the northern end of Kachemak Bay Drive.	None	*14
			Near Coal Point	None	*22
			Near the intersection of Lake Street and Ocean Drive.	None	*28
Maps are available for inspection at the City of Homer City Hall, Homer, Alaska.					
Send comments to The Honorable Jack Cushing, Mayor, City of Homer, 491 East Pioneer Avenue, Homer, Alaska 99603. To convert from NGVD to Mean Lower Low Water (MLLW), subtract 9.7 feet.					
Colorado	Loveland (City) Larimer County.	Big Thompson River	Approximately 3,800 feet downstream of U.S. Highway 287.	None	*4,922
			Approximately 550 feet downstream of U.S. Highway 287.	None	*4,926
Maps are available for inspection at Building and Development Services, 500 East Third Street, Loveland, Colorado.					
Send comments to The Honorable Treva Edwards, Mayor, City of Loveland, 500 East Third Street, Loveland, Colorado 80537.					
Kansas	Perry (City) Jefferson County.	Kansas River	Approximately 1 mile southeast of Cedar Street at the southeasternmost corporate limit.	*848	+846
			Approximately 200 feet south of Bridge Street.	*850	+850
		Delaware River	At Union Pacific Railroad crossing over the Delaware River.	*850	+850
Maps are available for inspection at the City of Perry City Hall, 119 Elm Street, Perry, Kansas.					
Send comments to The Honorable Matt Willkomm, Mayor, City of Perry, P.O. Box 724, Perry, Kansas 66073. Please note that to convert to NAVD, add 0.26 foot to NGVD elevations.					
Louisiana	Delhi (Town) Richland Parish.	Bayou Macon	Approximately 1 mile downstream of U.S. 80.	None	*77
			Approximately 0.5 mile upstream of U.S. 80.	None	*77
Maps are available for inspection at 202 Broadway, Delhi, Louisiana.					
Send comments to The Honorable James A. Hopson, Mayor, Town of Delhi, 209 Broadway, Delhi, Louisiana 71232.					
Texas	Cameron County (Unincorporated Areas).	Gulf of Mexico	Approximately 850 feet south of Old Queen Isabella Causeway.	*11	*12
			Approximately 600 feet northeast of the northern corporate limits.	*13	*16
		Laguna Madre	Approximately 4,000 feet south of Old Queen Isabella Causeway.	*10	*8
			Approximately 2,000 feet west of Padre Boulevard.	*6	*8

State	City/town/county	Source of flooding	Location	# Depth in feet above ground. * Elevation in feet. (NGVD)	
				Existing	Modified
Maps are available for inspection at the Cameron County Engineering Office, 805 West Price Road, Brownsville, Texas. Send comments to The Honorable Gilbert Hinojosa, Cameron County Judge, 964 East Harrison, Brownsville, Texas 78520.					
Texas	Mount Pleasant (City) Titus County.	Hart Creek Tributary	Approximately 1,300 feet downstream of Alexander Road.	None	*322
			Approximately 130 feet upstream of State Highway 49.	*359	*359
			Approximately 290 feet downstream of West Sixth Street.	None	*407
		Tributary 1	At confluence with Hart Creek Tributary	None	*330
			Approximately 1,300 feet upstream of confluence with Hart Creek Tributary.	None	*344
		Tributary 2	At confluence with Hart Creek Tributary	None	*358
			Approximately 1,900 feet upstream of Stark Street.	None	*370
		Tributary 3	At confluence with Hart Creek Tributary	None	*377
			Approximately 1,620 feet upstream of West First Street.	None	*384
Maps are available for inspection at the City of Mount Pleasant Public Works Facility, 1412 North Washington, Mount Pleasant, Texas. Send comments to The Honorable Jerry Boatner, Mayor, City of Mount Pleasant, 501 North Madison, Mount Pleasant, Texas 75455–3650.					
	Muenster (City) Cooke County.	Brushy Elm Creek	Approximately 400 feet downstream of Eddy Road.	None	*957
			Approximately 150 feet downstream of U.S. Highway 82.	None	*963
			Approximately 200 feet downstream of Ash Street.	None	*967
		Tributary 1	Approximately 150 feet downstream of U.S. Highway 82.	None	*975
			Approximately 270 feet upstream of Fifth Street.	None	*997
			Approximately 2,150 feet upstream of Seventh Street.	None	*1,020
		Tributary 2	Approximately 150 feet downstream of Ash Street.	None	*971
			Approximately 1,100 feet upstream of Ash Street.	None	*995
		Tributary 3 Emergency Spillway.	At confluence with Tributary 3	None	*965
			Approximately 900 feet downstream of Sixth Street.	None	*1,000
		Tributary 3	At confluence with Tributary 3 Emergency Spillway.	None	*965
			At Sixth Street	None	*1,000
			Approximately 1,200 feet upstream of confluence with Tributary 4.	None	*1,018
		Tributary 4	At confluence with Tributary 3	None	*1,007
			Approximately 180 feet upstream of confluence with Tributary 3.	None	*1,008
Maps are available for inspection at the City of Muenster City Hall, 400 North Main, Muenster, Texas. Send comments to The Honorable Henry Weinzepfel, Mayor, City of Muenster, P.O. Box 208, Muenster, Texas 78252.					
	South Padre Island (Town) Cameron County.	Gulf of Mexico	Approximately 150 feet northeast of intersection of Gulf Street and Gulf Boulevard.	*8	*12
			Approximately 500 feet northeast of intersection of Gulf Street and Gulf Boulevard.	*13	*16
		Laguna Madre	At intersection of Palm Street at Laguna Boulevard.	*6	*8
Maps are available for inspection at the Town of South Padre Island Building Department, 4405 Padre Boulevard, South Padre Island, Texas. Send comments to The Honorable Edmund Cyganiewicz, Mayor, Town of South Padre Island, 4501 Padre Boulevard, South Padre Island, Texas 78597.					
	Travis County and Incorporated Areas.	Barton Creek	Approximately 4,000 feet downstream of Fitzhugh Road.	*940	*930

State	City/town/county	Source of flooding	Location	# Depth in feet above ground. * Elevation in feet. (NGVD)	
				Existing	Modified
			Approximately 740 feet upstream of Fitzhugh Road.	*951	*943
		Bear Creek	At confluence with Onion Creek	*618	*617
			Approximately 4.4 miles upstream of Rock Dam (Approximately 240 feet upstream of County boundary).	None	*805
		Bear Creek Tributary	At confluence with Bear Creek	*655	*656
			Approximately 9 feet upstream of FM 1626.	*655	*656
			Approximately 20 feet upstream of FM 1626.	*656	*656
		Boggy Creek South	At confluence with Onion Creek	*560	*558
			Approximately 300 feet upstream of Bluff Springs Road.	*560	*559
			Approximately 375 feet upstream of Bluff Springs Road.	*560	*560
		Cottonmouth Creek	At confluence with Onion Creek	*479	*477
			Approximately 5,150 feet (0.98 mile) upstream of confluence with Onion Creek.	*481	*480
			Approximately 5,350 feet (1.01 miles) upstream of confluence with Onion Creek.	*481	*481
		Little Bear Creek	At confluence with Bear Creek	*636	*634
			Approximately 1.8 miles upstream of confluence with Bear Creek (at County boundary).	*675	*672
		Long Branch	Approximately 1,090 feet downstream of dam.	*1,015	*1,013
			Approximately 1,835 feet upstream of dam (at County boundary).	*1,036	*1,035
		Marble Creek	At confluence with Onion Creek	*538	*540
			Approximately 1,650 feet upstream of William Cannon Drive.	*543	*544
			Approximately 1,700 feet upstream of William Cannon Drive.	*544	*544
		Onion Creek	At confluence with the Colorado River	*414	*414
			Approximately 2,060 feet upstream of confluence with the Colorado River.	*416	*417
			Approximately 1.4 miles upstream of confluence of Garlic Creek (approximately 150 feet upstream of County boundary).	None	*645
		Rinard Creek	At confluence with Onion Creek	*578	*576
			Approximately 1,370 feet upstream of Bradshaw Road.	*578	*577
			Approximately 1,405 feet upstream of Bradshaw Road.	*578	*578
		Slaughter Creek	At confluence with Onion Creek	*572	*571
			Approximately 3,850 feet upstream of confluence with Onion Creek.	*573	*572
			Approximately 4,100 feet upstream of confluence with Onion Creek.	*573	*573
		Williamson Creek	At confluence with Onion Creek	*524	*526
			Approximately 2,940 feet upstream of Jimmy Cliff Drive.	*528	*529
			Approximately 3,030 feet upstream of Jimmy Cliff Drive.	*529	*529
		Williamson Creek Tributary 1.	At confluence with Williamson Creek	*524	*526
			Approximately 2,480 feet upstream of confluence with Williamson Creek.	*525	*526
			Approximately 2,520 feet upstream of confluence with Williamson Creek.	*526	*526
		Williamson Creek Tributary 2.	At confluence with Williamson Creek	*524	*526
			Approximately 2,410 feet upstream of confluence with Williamson Creek.	*526	*526

State	City/town/county	Source of flooding	Location	# Depth in feet above ground. * Elevation in feet. (NGVD)	
				Existing	Modified
Maps are available for inspection at the Travis County Transportation and Natural Resources Department, Executive Office Building, 411 West 13th Street, Austin, Texas.					
Send comments to The Honorable Bill Aleshire, Travis County Judge, P.O. Box 1748, Austin, Texas 78767.					
Maps are available for inspection at the City of Austin Watershed Engineering Division, 206 East Ninth Street, Suite No. 17102, Austin, Texas.					
Send comments to The Honorable Kirk Watson, Mayor, City of Austin, P.O. Box 1088, Austin, Texas 78767.					
Washington	Clark County (Unincorporated Areas).	East Fork Lewis River	Approximately 17,000 feet downstream of Daybreak Road.	*31	*32
		.....	Approximately 400 feet downstream of Daybreak Road.	*76	*75
Maps are available for inspection at the Clark County Department of Community Development, Development Services Division, Office of Engineering Review, 1408 Franklin Street, Vancouver, Washington.					
Send comments to The Honorable Betty Sue Morris, Chairperson, Clark County Board of Commissioners, P.O. Box 5000, Vancouver, Washington 98666–5000.					

(Catalog of Federal Domestic Assistance No. 83.100, ''Flood Insurance'')

Dated: July 7, 1998.

Michael J. Armstrong,

Associate Director for Mitigation.

[FR Doc. 98–18724 Filed 7–13–98; 8:45 am]

BILLING CODE 6718–04–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 76

[MM Docket No. 92–264; FCC 98–138]

Horizontal Ownership Limits

AGENCY: Federal Communications Commission

ACTION: Proposed rule.

SUMMARY: In the *Further Notice of Proposed Rulemaking* (''*Further Notice*''), the Commission seeks comment on possible revisions of the cable television horizontal ownership rules and the method by which horizontal ownership is calculated. The Commission seeks comment on whether, in light of evolving market conditions, the horizontal ownership limit should remain at 30% of homes passed nationwide by cable, and also seeks comment on the 35% minority-control allowance. The *Further Notice* also seeks comment on whether the Commission should revise the rules to consider the presence in the market of all multichannel video programming providers (''MVPDs'') rather than cable operators alone, and whether to base the limit on actual subscribers rather than on homes passed. The *Further Notice* is part of a companion *Memorandum Opinion and Order on Reconsideration* which is summarized elsewhere in this issue of the **Federal Register**.

DATES: Comments are due on or before August 14, 1998, and reply comments are due on or before September 3, 1998.

FOR FURTHER INFORMATION CONTACT: John Norton, Cable Services Bureau, (202) 418–7200.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Commission's *Further Notice of Proposed Rulemaking,* MM Docket No. 92–264, FCC 98–138 adopted June 23, 1998, and released June 26, 1998. The full text of this decision is available for inspection and copying during normal business hours in the FCC Reference Center (Room 239), 1919 M Street, NW, Washington, D.C. 20554, and may be purchased from the Commission's copy contractor, International Transcription Service, (202) 857–3800, 1231 20th Street, NW, Washington, D.C. 20036.

Synopsis of the Notice of Proposed Rulemaking

1. In the Second Report and Order in MM Docket No. 92–264, 58 FR 60135, November 15, 1993 (''*Second Report and Order*''), the Commission adopted the horizontal ownership rules, which provide that no person may hold attributable interests in cable systems reaching more than 30% of all homes passed nationwide by cable. In the *Second Report and Order,* the Commission stated that it planned to review subscriber limits every five years to determine whether such limits are reasonable under the prevailing market conditions and whether such limits continue to serve the objectives for which they were adopted. The rules in question were adopted in 1993, and the Commission believes that it is appropriate to review these rules to address intervening changes in the communications marketplace.

2. In the *Further Notice,* the Commission seeks comment on whether 30% remains the appropriate horizontal ownership limit in light of evolving market conditions. The current rules further allow ownership of additional cable systems reaching up to 35% of cable homes passed, provided such additional cable systems are minority-controlled. The purpose of the 35% minority-control allowance was to encourage diversity of viewpoints by fostering increased minority participation and ownership in the cable industry, through increased multiple systems operator (''MSO'') investment in minority-owned cable systems. The Commission seeks comment on the constitutionality of the minority-control allowance in light of the Supreme Court's decision in *Adarand Constructors, Inc.* v. *Pena,* 515 U.S. 200 (1995). Recognizing that the minority-control allowance has never been utilized by any MSO, the Commission also seeks comment on the effectiveness of this rule and on the development of alternative rules to promote minority participation consistent with the standards set forth in *Adarand.*

3. The Commission also seeks comment on two specific issues concerning the method of ownership calculation: (1) whether the rules should consider the presence in the market of all MVPDs rather than cable operators alone, and (2) whether the rules should be based on actual subscriber numbers rather than on homes passed. The rules proposed in the *Further Notice* would

provide that, in calculating a cable MSO's market share, the numerator would consist of the MSO's cable subscribers plus its non-cable MVPD subscribers, and the denominator would consist of the total number of cable subscribers plus non-cable MVPD subscribers nationwide. In addition to these proposed rule changes, the Commission seeks comment as to whether the method of ownership calculation should be modified in some way to support cable overbuild competition.

4. In the *Further Notice*, the Commission recognizes that the MVPD market has continued to evolve since our adoption of the horizontal ownership rules. The Commission seeks comment on a proposal to revise the rules to include alternative MVPDs in the measure of horizontal concentration in order to reflect the emergence of competitors to cable in the video marketplace, as well as potential MSO increases in market power through acquisition of interests in other MVPDs. The *Further Notice* seeks comment on whether such a rule revision—recognizing the impact of all purchasers of video programming, not just cable operators—would provide a more accurate measure of MSOs' market power.

5. The Commission also seeks comment on whether the proposed revision of the horizontal ownership rules is consistent with the Commission's authority under Section 613 of the Communications Act to ''prescribe rules and regulations establishing reasonable limits on the number of cable subscribers a person is authorized to reach through cable systems * * *.'' The proposal would result in a sliding or adjustable cable horizontal ownership limit, under which the number of subscribers a cable operator is authorized to reach through cable systems would decrease in proportion with any increase in the number of subscribers that entity reaches through other MVPD systems. Conversely, the cable horizontal ownership limit would rise for a cable operator that reaches fewer subscribers through other MVPD systems. The proposed rules would impose no limit on the number of subscribers a cable operator may reach through alternative MVPD systems. These rules also would not apply to persons who have no attributable ownership interests in cable systems. The Commission seeks comment on this proposal and on whether it is consistent with the terms of the underlying statute, given Section 613's focus on the cable industry and the establishment of a cable subscribership limit rather than an MVPD subscribership limit.

6. In the *Further Notice*, the Commission also seeks comment on the possibility of changing the method of calculating the basis of the horizontal ownership limits from potential reach, i.e., number of homes passed, to actual reach, i.e., number of MVPD subscribers served, in order to reflect an MVPD's actual purchasing power. In revisiting the horizontal ownership rules, the Commission seeks comment on whether the homes passed standard continues to be an accurate measure of horizontal concentration and market power in today's marketplace, and whether the easier to measure subscriber standard can be adapted for use in a fashion that will not require an abrupt halt to the addition of new subscribers to established cable systems. The Commission asks for comment on the best method for counting subscribers, including those residing in multi-dwelling units and commercial subscribers such as hotels, bars, etc.

7. The Commission seeks comment on whether the greater accuracy provided by a subscriber based standard outweighs the greater stability provided by a homes passed standard. With regard to the argument that a subscriber based standard may have the effect of discouraging subscriber growth, the Commission seeks comment on whether system operators would have a sufficient opportunity to anticipate the approaching limit and to dispose of systems sufficient to stay under the limit rather than to simply cease the addition of new subscribers.

8. The Commission asks commenters to address whether the proposed revisions are consistent with the public interest objectives and the Commission's legal authority under section 613 and 47 U.S.C. §§ 151, 154, and 303. The Commission seeks comment on whether the proposed horizontal ownership rules would provide a more accurate measure of horizontal concentration and market power than the current rules. The Commission also seeks comment on the practical impact of the proposed rule changes on MSO ownership and operation. In particular, the Commission asks that commenters address whether the proposed changes would place any cable MSO in violation of the 30% horizontal ownership limit and to provide specific factual information in support of any such conclusions. The Commission seeks comment on whether it should develop special rules to address situations where a cable MSO may exceed the 30% limit as a result of subscriber growth within an existing area of homes passed. The Commission further invites comment on any other matters relevant to its proposals and tentative conclusions.

Initial Regulatory Flexibility Analysis for the Further Notice of Proposed Rulemaking

9. As required by Section 603 of the Regulatory Flexibility Act, 5 U.S.C. § 603 (''RFA''), the Commission is incorporating an Initial Regulatory Flexibility Analysis (''IRFA'') of the expected impact on small entities of any policies or proposals contained in this *Further Notice*. Written public comments concerning the effect of the proposals in the *Further Notice*, including the IRFA, on small businesses are requested. Comments must be identified as responses to the IRFA and must be filed by the deadlines for the submission of comments in this proceeding. The Commission shall send a copy of this *Further Notice*, including the IRFA, to the Chief Counsel for Advocacy of the Small Business Administration in accordance with paragraph 603(a) of the Regulatory Flexibility Act.

10. *Need for, and Objectives of, the Proposed Rules.* The 1992 Cable Act and subsequent actions to implement it, and Section 11(c) of the 1992 Cable Act in particular, are intended to encourage competition in the cable industry and prevent the exercise of undue market power by large cable multiple systems owners. The Commission issues the *Further Notice* to obtain comment on whether certain aspects of the Commission's horizontal ownership rules should be revised to make them more effective in serving the public interest objectives Congress charged the Commission with protecting in Section 11(c).

11. *Legal Basis.* Authority for the actions proposed in this *Further Notice* may be found in Sections 1, 4, 303, and 613 of the Communications Act of 1934, *as amended*, 47 U.S.C. §§ 151, 154, 303, 533.

12. *Description and Estimate of the Number of Small Entities to Which the Proposed Rules Will Apply.* The RFA generally defines ''small entity'' as having the same meaning as the terms ''small business,'' ''small organization,'' and ''small governmental jurisdiction'' and ''the same meaning as the term 'small business concern' under the Small Business Act unless the Commission has developed one or more definitions that are appropriate for its activities. A small business concern is one which: (1) is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any

additional criteria established by the Small Business Administration (''SBA''). Pursuant to 5 U.S.C. § 601(3), the statutory definition of a small business applies ''unless an agency after consultation with the Office of Advocacy of the SBA and after opportunity for public comment, establishes one or more definitions of such term which are appropriate to the activities of the agency and publishes such definition(s) in the **Federal Register**.''

13. The SBA has developed a definition of small entities for cable and other pay television services under Standard Industrial Classification 4841 (SIC 4841), which covers subscription television services, which includes all such companies with annual gross revenues of $11 million or less. This definition includes cable systems operators, closed circuit television services, direct broadcast satellite services, multipoint distribution systems, satellite master antenna systems and subscription television services. According to the Census Bureau, there were 1,323 such cable and other pay television services generating less than $11 million in revenue that were in operation for at least one year at the end of 1992.

14. The Commission has developed its own definition of a ''small cable company'' and ''small system'' for the purposes of rate regulation. Under the Commission's rules, a ''small cable company,'' is one serving fewer than 400,000 subscribers nationwide. Based on our most recent information, the Commission estimates that there were 1,439 cable companies that qualified as small cable companies at the end of 1995. Since then, some of those companies may have grown to serve over 400,000 subscribers, and others may have been involved in transactions that caused them to be combined with other cable companies. Consequently, the Commission estimates that there are fewer than 1,439 small entity cable companies that may be affected by the proposal adopted in the *Notice.* The Commission's rules also define a ''small system,'' for the purposes of cable rate regulation, as a cable system with 15,000 or fewer subscribers. The Commission does not request nor does it collect information concerning cable systems serving 15,000 or fewer subscribers and thus the Commission is unable to estimate at this time the number of small cable systems nationwide.

15. The Communications Act also contains a definition of a ''small cable operator,'' which is ''a cable operator that, directly or through an affiliate, serves in the aggregate fewer than 1 percent of all subscribers in the United States and is not affiliated with any entity or entities whose gross annual revenues in the aggregate exceed $250,000,000.'' The Commission has determined that there are 61,700,000 subscribers in the United States. Therefore, the Commission found that an operator serving fewer than 617,000 subscribers is deemed a small operator, if its annual revenues, when combined with the total annual revenues of all of its affiliates, do not exceed $250 million in the aggregate. Based on available data, the Commission finds that the number of cable operators serving 617,000 subscribers or less totals 1,450. Although it seems certain that some of these cable system operators are affiliated with entities whose gross annual revenues exceed $250,000,000, the Commission is unable at this time to estimate with greater precision the number of cable system operators that would qualify as small cable operators under the definition in the Communications Act. The Commission is likewise unable to estimate the number of these small cable operators that serve 50,000 or fewer subscribers in a franchise area.

16. *Description of Projected Recording, Record keeping, and Other Compliance Requirements.* If the horizontal ownership rules are changed, the Commission may have to change certain cable reporting requirements. Cable entities also may have to adjust the organization of their business interests in order to comply with any new rules that the Commission may adopt.

17. *Steps Taken to Minimize Significant Economic Impact on Small Entities, and Significant Alternatives Considered.* The actions proposed in the *Further Notice* are intended to ensure that the Commission's horizontal ownership rules are effective in preventing the exercise of undue market power by large cable multiple systems owners and promote a competitive, diverse and fair marketplace. Accordingly, as discussed in the above descriptions of the proposed rule changes, the approaches proposed in this *Further Notice* should promote fairness and diversity for all cable systems, including the small entities listed above. The Commission invites comments on these approaches, including comment on whether alternative approaches will mitigate any unwarranted expenses incurred by smaller entities by virtue of their size alone.

18. *Federal Rules that Overlap, Duplicate or Conflict with the Proposed Rules.* None.

Paperwork Reduction Act

19. The proposals contained herein in the *Further Notice* have been analyzed with respect to the Paperwork Reduction Act of 1995 (the ''1995 Act'') and found to impose modified information collection requirements. Implementation of any new or modified requirements will be subject to approval by the Office of Management and Budget (''OMB''). The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public to take this opportunity to comment on the information collection requirements contained in this *Further Notice,* as required by the 1995 Act. Comments should address: (1) Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (2) the accuracy of the Commission's burden estimates; (3) ways to enhance the quality, utility, and clarity of the information collected; and (4) 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.

20. Written comments by the public on the modified information collection requirements are due August 14, 1998. OMB comments are due August 31, 1998. Comments on the information collection requirements contained herein should be submitted to Judy Boley, Federal Communications Commission, Room 234, 1919 M Street, N.W., Washington, DC 20554, or via the Internet to jboley@fcc.gov and to Timothy Fain, OMB Desk Officer, 10236 NEOB, 725—17th Street, N.W., Washington, DC 20503 or via the Internet to fain__t@al.eop.gov. For additional information on the information collection requirements, contact Judy Boley at 202–418–0214 or via the Internet at the above address.

Procedural Provisions

21. *Ex parte Rules—''Permit-but-Disclose'' Proceeding.* This proceeding will be treated as a ''permit-but-disclose'' proceeding subject to the ''permit-but-disclose'' requirements under § 1.1206(b) of the rules. Ex parte presentations are permissible if disclosed in accordance with Commission rules, except during the Sunshine Agenda period when presentations, ex parte or otherwise, are generally prohibited. Persons making oral ex parte presentations are reminded

that a memorandum summarizing a presentation must contain a summary of the substance of the presentation and not merely a listing of the subjects discussed. More than a one or two sentence description of the views and arguments presented is generally required. Additional rules pertaining to oral and written presentations are set forth in Section 1.1206(b).

22. *Filing of Comments and Reply Comments.* Pursuant to applicable procedures set forth in §§ 1.415 and 1.419 of the Commission's Rules, comments are due August 14, 1998, and reply comments are due September 3, 1998. To file formally in this proceeding, you must file an original plus four copies of all comments, reply comments, and supporting comments. If you want each Commissioner to receive a personal copy of your comments and reply comments, you must file an original plus nine copies. You should send comments and reply comments to Office of the Secretary, Federal Communications Commission, 1919 M Street, NW, Washington, DC 20554. Comments and reply comments will be available for public inspection during regular business hours in the FCC Reference Center, Room 239, Federal Communications Commission, 1919 M Street NW, Washington DC 20554.

Ordering Clauses

23. Accordingly, it is ordered that, pursuant to sections 1, 4, 303 and 613 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 154, 303 and 533, notice is hereby given of proposed amendments to the Commission's rules, in accordance with the proposals, discussions and statements of issues in the *Further Notice* and comment is sought regarding such proposals, discussions and statements of issues.

24. It is further ordered that the Office of Public Affairs Reference Operation Division shall send a copy of this *Further Notice,* including the Initial Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

List of Subject in 47 CFR Part 76

Cable television.

Federal Communications Commission.

Magalie Roman Salas,

Secretary.

[FR Doc. 98–18038 Filed 7–13–98; 8:45 am]

BILLING CODE 67129–01–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 76

[CS Docket No. 98–82; FCC 98–112]

Cable Television Ownership Attribution Rules

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: In the *Notice of Proposed Rulemaking* (''*NPRM*''), the Commission initiates a review of its cable attribution rules. The attribution rules seek to identify those corporate, financial, partnership, ownership and other business relationships that confer on their holders a degree of ownership or other economic interest, *or* influence or control over an entity engaged in the provision of communications services such that the holders should be subject to the Commission's regulation. The Commission is initiating this rulemaking in light of recent developments in the cable industry.

DATES: Comments are due on or before August 14, 1998, and reply comments are due on or before September 3, 1998.

FOR FURTHER INFORMATION CONTACT: John Norton, Cable Services Bureau, (202) 418–7200.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Commission's *Notice of Proposed Rulemaking* (''*NPRM*'') CS Docket No. 98–82, FCC 98–112 adopted June 4, 1998, and released June 26, 1998. The full text of this decision is available for inspection and copying during normal business hours in the FCC Reference Center (Room 239), 1919 M Street, NW, Washington, D.C. 20554, and may be purchased from the Commission's copy contractor, International Transcription Service, (202) 857–3800, 1231 20th Street, NW, Washington, D.C. 20036.

Synopsis of the Notice of Proposed Rulemaking

1. The *NPRM* initiates a review of the Commission's cable television ownership attribution rules, which seek to identify those corporate, financial, partnership, ownership and other business relationships that confer on their holders a degree of ownership or other economic interest, *or* influence or control over an entity engaged in the provision of communications services such that the holders should be subject to the Commission's regulation. The cable attribution rules are particularly significant in the context of a number of statutory provisions enacted as part of the Cable Television Consumer Protection and Competition Act of 1992 (the ''1992 Cable Act''), including: (1) former section 613(a)(1), which prohibited the common ownership of local television stations and cable systems that serve the same area (the ''cable/broadcast station cross-ownership restriction''); (2) section 613(f)(1)(A), which requires the Commission to establish reasonable limits on the number of cable subscribers a person is authorized to reach through cable systems owned by such person, or in which such person has an attributable interest (''horizontal cable ownership limits''); (3) section 613(f)(1)(B), which requires the Commission to establish reasonable limits on the number of channels on a cable system that can be occupied by a video programmer in which a cable operator has an attributable interest (''vertical occupancy limits''); (4) section 613(a)(2), which prohibits a cable operator from holding a license to provide multichannel multipoint distribution service (''MMDS''), or from offering satellite master antennae television (''SMATV'') service separate and apart from any franchised cable service, in any portion of the franchise area served by the cable operator's cable system (the ''cable/MMDS'' and ''cable/SMATV'' cross-ownership restrictions); (5) section 628, which, among other things, requires the Commission to establish safeguards to prevent a cable operator with an attributable interest in a programming vendor from engaging in unfair or deceptive acts involving the distribution of programming to an unaffiliated multichannel video programming distributor (''program access'' rules); and (6) section 616, which, among other things, restricts the activities of cable operators and other multichannel programming distributors when dealing with programming vendors, including prohibiting discrimination in the selection, terms, or conditions of carriage, on the basis of a vendor's affiliation or non-affiliation (''program carriage'' rules).

2. For broad structural rules such as the horizontal cable ownership limits and vertical channel occupancy limits, that are designed to ensure competition and diversity in the video marketplace, the Commission adopted attribution rules from the broadcast context where the goal is the same. The broadcast attribution standard generally provides that partnership interests, direct ownership interests, and voting stock interests of 5% or more are attributable. For passive investors, the voting stock benchmark is 10%. Non-voting stock

interests (including most ''preferred'' stock classes) are not attributable. There are several exceptions to the voting stock threshold, including a ''single majority shareholder'' exception, which provides that minority interests will not be attributed where a single shareholder owns more than 50% of the outstanding voting stock. In addition, the interests of ''insulated'' limited partners are not attributed.

3. The Commission adopted a more restrictive attribution standard for those rules, such as the program access and program carriage rules and the cable/MMDS and cable/SMATV cross-ownership restrictions, that are designed not only to promote competition and diversity, but also to deter specific discriminatory or improper conduct by cable operators or programmers. In contrast to the broadcast attribution standard, this more restrictive standard (1) considers a cable operator to have an attributable interest if it holds 5% or more of an entity's stock, whether voting or non-voting, (2) does not apply the single majority shareholder rule, and (3) attributes limited partnership interests of 5% or more, regardless of insulation.

4. In addition, the Commission relied upon the attribution rules in defining when an entity is considered an ''affiliate'' for certain purposes under Title VI. The Commission applied the more restrictive attribution standard to the ratemaking context, for purposes of analyzing asset transfers and the provision of services between a cable operator and its affiliate, and for purposes of limiting the amount of pass-throughs permitted for programming services affiliated with cable operators. The Commission also applied the more restrictive attribution standard to the leased access provisions and the open video system provisions.

5. In the Cable Act Reform proceeding, the Commission is reviewing appropriate definitions of ''affiliate'' under other provisions of the 1996 Act, including the small operator provisions, the new prong of the ''effective competition'' test, and the cable-telco buy-out provisions. Pending the adoption of final rules, the Commission requested comments on the appropriate definition of ''affiliate'' for the cable-telco buyout provisions and established interim rules for the small operator and ''effective competition'' provisions. For the small operator provisions, the interim rule adopted the definition of ''affiliate'' used for purposes of the Commission's small system cost-of-service rules. Thus, an entity is deemed affiliated with a small cable operator if that entity has a 20% or greater equity interest in the operator (active or passive) or holds de jure or de facto control over the operator. By contrast, in the ''effective competition'' context, the interim rule provided that an ''affiliate'' is an entity that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person, where the term ''own'' means to have an equity interest (or the equivalent thereof) of more than 10%.

6. The Commission has initiated a review of the broadcast attribution standard under the *Notice of Proposed Rule Making, Review of the Commission's Regulations Governing the Attribution of Mass Media Interests,* 60 FR 06483, MM Docket Nos. 94–150, 92–51 and 87–154, FCC 94–324, 10 FCC Rcd 3606 (1995) (''*Broadcast Attribution Notice'') and the Further Notice of Proposed Rule Making, Regulations Governing Attribution of Broadcast and Cable/MDS Interests, Regulation and Policies Affecting Investment in the Broadcast Industry and Reexamination of the Commission's Cross-Interest Policy,* 61 FR 67275, MM Docket Nos. 94–150, 92–51 and 87–154, FCC 96–436, 11 FCC Rcd 19895 (1996) (''*Broadcast Attribution Further Notice*'').

7. Among the issues on which the Commission solicited comment in the *Broadcast Attribution Notice* were: (1) whether to increase the voting stock ownership benchmark from 5 percent to 10 percent; (2) whether to increase the passive investor stock ownership benchmark from 10 percent to 20 percent; (3) whether to restrict or eliminate our single majority shareholder exemption and whether to attribute nonvoting shares in certain circumstances, such as where the minority or nonvoting shareholder has contributed a significant portion of the equity or debt financing; (4) whether to revise our insulation criteria for limited partnership interests, and whether to adopt an equity benchmark for noninsulated limited partners; (5) whether to treat interests in limited liability companies (''LLCs'') and similar new business forms, such as registered limited liability partnerships (''RLLPs''), as we now treat limited partnerships; (6) whether to eliminate the remaining aspects of our cross-interest policy that prevent individuals from having ''meaningful'' interests—including key employee relationships, joint ventures, and nonattributable equity interests—in two broadcast stations, or a daily newspaper and a broadcast station, or a television station and a cable system, when both outlets serve ''substantially the same area;'' and (7) how to treat non-equity financial relationships and multiple business relationships that, although not individually attributable, could combine to create sufficient influence to warrant attribution.

8. In addition to the issues raised in the *Broadcast Attribution Notice,* the *Broadcast Attribution Further Notice* explored additional proposals to increase the precision of the attribution rules. In the *Broadcast Attribution Further Notice,* the Commission invited comment on whether it should add a new ''equity or debt plus'' (''EDP'') attribution rule. Under such a rule, where an interest holder is a program supplier or same-market media entity, the Commission will attribute its otherwise non-attributable equity and/or debt interests in a licensee or other media entity subject to the cross-ownership rules if those aggregated interests exceed a specified benchmark, proposed to be set at 33 percent. Second, the Commission tentatively concluded that it should treat television time brokerage agreements or local marketing agreements (''LMAs'') the same as radio LMAs, and also count radio and television LMAs toward all applicable ownership limits. Third, the Commission invited comment as to whether it should attribute joint sales agreements (''JSAs'') in certain circumstances. Fourth, the Commission invited comments on its staff study of attributable ownership interests in broadcast television stations, appended to the *Broadcast Attribution Further Notice,* and on the implications of this study regarding the impact of the proposed attribution rule changes, particularly as to the voting stock benchmarks. Fifth, the Commission sought comments on whether a transition period or grandfathering of existing interests is appropriate. The Commission tentatively concluded that any grandfathering should apply only to the current interest holder and that interests acquired on or after December 15, 1994, the date of adoption of the *Broadcast Attribution Notice,* should be subject to any final rules adopted. The Commission invited comments as to whether it should apply broadcast attribution criteria and add a new EDP attribution rule for purposes of the cable/Multipoint Distribution Service (''MDS'') cross-ownership restrictions.

9. This *NPRM* initiates a similar review of the attribution issues as they specifically relate to the Commission's cable rules. The *NPRM* seeks comment on the same issues raised in the broadcast attribution proceedings as they pertain to the cable industry, and on whether and how these issues should factor into the review of the

Commission's cable attribution rules. In particular, the Commission asks commenters to focus on: (1) the proposed ''equity or debt plus'' addition to the current attribution rules, and specifically those relationships in the cable context that may provide sufficient incentive and ability for an otherwise nonattributable interest holder to exert an attributable influence or control; (2) the attribution of certain contractual or other business relationships in the cable context (including affiliations that allow different cable entities to purchase programming, technology or equipment on common terms, analogous to JSAs and LMAs in the broadcast context) that may implicate diversity and competition concerns, irrespective of debt or equity; (3) the impact of raising the stock ownership benchmark for active and passive investors in the cable context, particularly seeking empirical data and analysis similar to the Commission staff study on the same subject in the broadcasting context; (4) whether to retain, modify, or eliminate the single majority shareholder exemption; and (5) whether a transition period or grandfathering of existing interests is appropriate if we decide to adopt more restrictive attribution rules. Because the *Broadcast Attribution Notice* and the *Broadcast Attribution Further Notice* already address application of the attribution rules to the cable/MMDS and the cable/broadcast cross-ownership restrictions, the Commission will not revisit and therefore does not seek comment on those issues in the *NPRM*.

10. The *NPRM* seeks comment on whether the assumptions underlying the cable attribution rules are still valid. In particular, comment is sought on whether any relevant differences exist between the cable and broadcasting industries that would support a distinct cable attribution standard even for those cable rules designed, like the broadcasting ownership rules, to ensure competition and diversity. In the *NPRM*, the Commission notes that the broadcast attribution rules focus primarily on those relationships which confer on their holders influence or control over a broadcaster's key business decisions in the areas of budget, personnel and programming. Comment is sought on whether, in the cable context, these are the appropriate key business areas and whether the underlying areas of concern should include cable entities' technology decisions and practices. The *NPRM* seeks comment on whether there are differences in ownership, financing or management structures, industry health, typical stockholdings, informal business arrangements, or outside financial claims that render one of the industries more or less subject to the types of influence or control that the attribution rules seek to identify. Also, because the current cable attribution rules do not distinguish between types of cable operators, comment is sought on whether any relevant differences exist among cable operators that would warrant different attribution rules.

11. In the *NPRM*, the Commission also solicits comment on whether and how we should re-evaluate the more restrictive attribution standard applicable to certain of the rules described above, such as the program access and program carriage rules and the cable/MMDS and cable/SMATV cross-ownership restrictions. In particular, the Commission seeks comment on: (1) whether the more restrictive standard serves the purposes for which it was intended; (2) whether the more restrictive standard is over- or under-inclusive; (3) whether the more restrictive attribution standard should be revised in relation to the broadcast attribution standard; (4) whether these two attribution standards should be treated as completely separate and independent formulations; and (5) whether, in view of the purposes it serves, we should require a more compelling showing before modifying the more restrictive standard.

12. In the *NPRM*, comment is sought on whether and how any changes in our cable attribution rules should affect the Commission's various definitions of ''affiliate.'' In particular, the Commission seeks comment on whether and how those affiliation rules that are expressly based on the cable attribution rules should change if the underlying attribution rules are changed.

13. In the *NPRM*, the Commission seeks comment as to the business arrangements involved in recent cable system partnerships, joint ventures, swaps, transfers, mergers and acquisitions, particularly those transactions announced or consummated in 1997 or thereafter, including those discussed in the Commission's 1997 annual report on the status of competition in the delivery of video programming. Commenters should identify the entities involved in each transaction, the projected date of consummation, details of the new structure including: the percentage and nature (e.g., voting or non-voting, limited or general partnership, insulated or non-insulated, rights of conversion) of each entity's ownership interests, the number of officers, directors, and other key personnel appointed by each entity to a management committee, board or other governing body, the portion of the equity or debt financing contributed by each entity, and any authority or power held by each entity to review, veto or otherwise influence the management or operation of the cable systems, as well as the ability to purchase programming, technology, or equipment under common contract terms. The Commission seeks information, in particular, as to any business arrangements undertaken to insulate one or more parties to these transactions from control or influence over key business aspects of the cable systems at issue. Comment is also sought as to the development of the Commission's cable attribution rules to avoid inconsistency with any other statutes or regulations (e.g., those of the Internal Revenue Service or the Financial Accounting Standards Board) that may influence the structuring of the business arrangements at issue.

14. With respect to each ownership or relational interest discussed herein, the Commission seeks comment on whether the specified level or degree of ownership interest in, or relationship to, an entity would be likely to impart the ability to influence or control the operations of that entity, including core areas such as budget, personnel, programming, technology, or competitive practices, such that the ownership rules should be implicated. Consistent with the purpose of section 257 of the 1996 Act to reduce market entry barriers for small businesses, comment is also sought on the impact that any changes to the Commission's cable ownership attribution or affiliation standards will have on market entry barriers for small businesses. In the *NPRM*, the Commission asks interested parties to support their comments with empirical data and economic analyses regarding levels of influence in business organizations and current market conditions.

Initial Regulatory Flexibility Analysis

15. As required by section 603 of the Regulatory Flexibility Act, 5 U.S.C. § 603 (''RFA''), the Commission is incorporating an Initial Regulatory Flexibility Analysis (''IRFA'') of the expected impact on small entities of any policies or proposals contained in this *NPRM*. Written public comments concerning the effect of the proposals in the *NPRM*, including the IRFA, on small businesses are requested. Comments must be identified as responses to the IRFA and must be filed by the deadlines for the submission of comments in this proceeding. The Commission shall send a copy of the *NPRM*, including the

IRFA, to the Chief Counsel for Advocacy of the Small Business Administration in accordance with paragraph 603(a) of the Regulatory Flexibility Act.

16. *Need for, and Objectives of, the Proposed Rules.* This proceeding is being initiated to obtain comment on whether the Commission's cable attribution and affiliation rules continue to serve their intended goals, and whether certain aspects of those rules should be revised to make them more effective. The actions proposed in the *NPRM* are intended to ensure that the Commission effectively implements the various cable rules that include an attribution or affiliation standard by identifying those interests that may result in undue market power by large entities, such as large cable multiple systems owners, and undermine a competitive, diverse and fair marketplace.

Legal Basis

17. Authority for the actions proposed in the *NPRM* is contained in sections 4, 303, 612, 613, 616, 623, 628, 652 and 653 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154, 303, 532, 533, 536, 543, 548, 572 & 573.

18. *Description and Estimate of the Number of Small Entities to Which the Proposed Rules Will Apply.* The RFA generally defines ''small entity'' as having the same meaning as the terms ''small business,'' ''small organization,'' and ''small governmental jurisdiction'' and ''the same meaning as the term 'small business concern' under the Small Business Act unless the Commission has developed one or more definitions that are appropriate for its activities. A small business concern is one which: (1) is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the Small Business Administration (''SBA''). The Small Business Enforcement Fairness Act of 1996 (SBREFA) provision of the RFA also applies to nonprofit organizations and to governmental organizations such as governments of cities, counties, towns, townships, villages, school districts, or special districts with populations of less than 50,000. Pursuant to 5 U.S.C. § 601(3), the statutory definition of a small business applies ''unless an agency after consultation with the Office of Advocacy of the SBA and after opportunity for public comment, establishes one or more definitions of such term which are appropriate to the activities of the agency and publishes such definition(s) in the **Federal Register**.''

19. *Local Franchising Authorities.* There are 85,006 governmental entities in the United States. This number includes such entities as states, counties, cities, utility districts and school districts. Any official actions with respect to cable systems will typically be undertaken by local franchising authorities (''LFAs''), which primarily consist of counties, cities and towns. Of the 85,006 governmental entities, 38,978 are counties, cities and towns. The remainder are primarily utility districts, school districts, and states, which typically are not LFAs. Of the 38,978 counties, cities and towns, 37,566 or 96%, have populations of fewer than 50,000. Thus, approximately 37,500 ''small governmental jurisdictions'' may be affected by the rules proposed in the *NPRM*.

20. *Cable Services or Systems.* SBA has developed a definition of small entities for cable and other pay television services under Standard Industrial Classification 4841 (SIC 4841), which covers subscription television services, which includes all such companies with annual gross revenues of $11 million or less. This definition includes cable systems operators, closed circuit television services, direct broadcast satellite services, multipoint distribution systems, satellite master antenna systems and subscription television services. According to the Census Bureau, there were 1,323 such cable and other pay television services generating less than $11 million in revenue that were in operation for at least one year at the end of 1992.

21. The Commission has developed its own definition of a ''small cable company'' and ''small system'' for the purposes of rate regulation. Under the Commission's rules, a ''small cable company,'' is one serving fewer than 400,000 subscribers nationwide. Based on our most recent information, the Commission estimates that there were 1,439 cable companies that qualified as small cable companies at the end of 1995. Since then, some of those companies may have grown to serve over 400,000 subscribers, and others may have been involved in transactions that caused them to be combined with other cable companies. Consequently, the Commission estimates that there are fewer than 1,439 small entity cable companies that may be affected by the proposal adopted in the *NPRM*. The Commission's rules also define a ''small system,'' for the purposes of cable rate regulation, as a cable system with 15,000 or fewer subscribers. The Commission does not request nor does it collect information concerning cable systems serving 15,000 or fewer subscribers and thus is unable to estimate at this time the number of small cable systems nationwide.

22. The Communications Act also contains a definition of a ''small cable operator,'' which is ''a cable operator that, directly or through an affiliate, serves in the aggregate fewer than 1 percent of all subscribers in the United States and is not affiliated with any entity or entities whose gross annual revenues in the aggregate exceed $250,000,000.'' The Commission has determined that there are 61,700,000 subscribers in the United States. Therefore, the Commission found that an operator serving fewer than 617,000 subscribers is deemed a small operator, if its annual revenues, when combined with the total annual revenues of all of its affiliates, do not exceed $250 million in the aggregate. Based on available data, the Commission finds that the number of cable operators serving 617,000 subscribers or less totals 1,450. Although it seems certain that some of these cable system operators are affiliated with entities whose gross annual revenues exceed $250,000,000, the Commission is unable at this time to estimate with greater precision the number of cable system operators that would qualify as small cable operators under the definition in the Communications Act. The Commission is likewise unable to estimate the number of these small cable operators that serve 50,000 or fewer subscribers in a franchise area.

23. *Satellite Master Antennae Television (''SMATV'') Operators.* Industry sources estimate that approximately 5200 SMATV operators were providing service as of December 1995. Other estimates indicate that SMATV operators serve approximately 1.05 million residential subscribers as of September 1996. The ten largest SMATV operators together pass 815,740 units. If it is assumed that these SMATV operators serve 50% of the units passed, the ten largest SMATV operators serve approximately 40% of the total number of SMATV subscribers. Because these operators are not rate regulated, they are not required to file financial data with the Commission. Furthermore, the Commission is not aware of any privately published financial information regarding these operators. Based on the estimated number of operators and the estimated number of units served by the largest ten SMATVs, the Commission believes that a substantial number of SMATV operators qualify as small entities.

24. *Local Exchange Carriers (''LECs'').* Neither the Commission nor the SBA

has developed a definition for small LECs. The closest applicable definition under the SBA rules is for telephone communications companies other than radiotelephone (wireless) companies. The most reliable source of information regarding the number of LECs nationwide is the data that the Commission collects annually in connection with the TRS Worksheet. According to the Commission's most recent data, 1,347 companies reported that they were engaged in the provision of local exchange services. The Commission does not have information on the number of carriers that are not independently owned and operated, nor what carriers have more than 1,500 employees, and thus the Commission is unable at this time to estimate with greater precision the number of LECs that would qualify as small business concerns under SBA's definition. Consequently, the Commission estimates that there are fewer than 1,347 small incumbent LECs.

25. *Cable Programmers.* The Commission has not developed a definition of small entities applicable to producers or distributors of cable television programs. Therefore, the Commission will utilize the SBA classifications of Motion Picture and Video Tape Production (SIC 7812), and Theatrical Producers (Except Motion Pictures) and Miscellaneous Theatrical Services (SIC 7922). These SBA definitions provide that a small entity in the cable television programming industry is an entity with $21.5 million or less in annual receipts for SIC 7812, and $5 million or less in annual receipts for SIC 7922. Census Bureau data indicate the following: (a) there were 7,265 firms in the United States classified as Motion Picture and Video Production (SIC 7812), and that 6,987 of these firms had $16.999 million or less in annual receipts and 7,002 of these firms had $24.999 million or less in annual receipts; and (b) there were 5,671 firms in the United States classified as Theatrical Producers and Services (SIC 7922), and that 5627 of these firms had $4.999 million or less in annual receipts.

26. *Description of Projected Recording, Record keeping, and Other Compliance Requirements.* If the Commission's cable ownership attribution or affiliation standards are changed, the Commission may have to change certain cable reporting requirements and cable entities may be required to observe new recording, record keeping or other compliance requirements that would be necessary to ensure compliance with the new attribution or affiliation standards. Cable entities also may have to adjust the organization of their business interests in order to comply with any new attribution or affiliation standards that the Commission may adopt.

27. *Steps Taken to Minimize Significant Economic Impact on Small Entities, and Significant Alternatives Considered.* The actions proposed in the NPRM are intended to ensure that the Commission effectively implements the various cable rules that include an attribution or affiliation standard by identifying more accurately those interests that may result in undue market power by large entities, such as large cable multiple systems owners, and undermine a competitive, diverse and fair marketplace. Accordingly, as discussed in the above descriptions of the proposed rule changes, and in the Broadcast Attribution Notice and Broadcast Attribution Further Notice, the approaches proposed in this NPRM should promote fairness and diversity for all cable systems and other small entities listed above. The Commission invites comments on these approaches, including comment on whether alternative approaches will mitigate any unwarranted expenses incurred by smaller entities by virtue of their size alone.

28. Federal Rules that Overlap, Duplicate or Conflict with the Proposed Rules. None.

Paperwork Reduction Act Analysis

29. The proposals contained herein have been analyzed with respect to the Paperwork Reduction Act of 1995 (the ''1995 Act''). The Commission has determined that, if we change our cable ownership attribution or affiliation standards, the Commission may have to require cable entities to comply with new or modified information collection requirements that would be necessary to ensure compliance with the new attribution or affiliation standards. If the Commission, in a subsequent rulemaking in this proceeding, implements new or modified information collection requirements, those requirements will first be subject to approval by the Office of Management and Budget as prescribed by the Act.

Procedural Provisions

30. This proceeding will be treated as a ''permit-but-disclose'' proceeding subject to the ''permit-but-disclose'' requirements under Section 1.1206(b) of the rules. 47 CFR 1.1206(b), as revised. Ex parte presentations are permissible if disclosed in accordance with Commission rules, except during the Sunshine Agenda period when presentations, ex parte or otherwise, are generally prohibited. Persons making oral ex parte presentations are reminded that a memorandum summarizing a presentation must contain a summary of the substance of the presentation and not merely a listing of the subjects discussed. More than a one or two sentence description of the views and arguments presented is generally required. *See* 47 CFR 1.1206(b)(2), as revised. Additional rules pertaining to oral and written presentations are set forth in § 1.1206(b).

31. Pursuant to applicable procedures set forth in §§ 1.415 and 1.419 of the Commission's Rules, 47 CFR. 1.415 and 1.419, comments are due August 14, 1998, and reply comments are due September 3, 1998. To file formally in this proceeding, you must file an original plus four copies of all comments, reply comments, and supporting comments. If you want each Commissioner to receive a personal copy of your comments and reply comments, you must file an original plus nine copies. You should send comments and reply comments to Office of the Secretary, Federal Communications Commission, 1919 M Street, N.W. Washington, D.C. 20554. Comments and reply comments will be available for public inspection during regular business hours in the FCC Reference Center, Room 239, Federal Communications Commission, 1919 M Street N.W., Washington D.C. 20554.

Ordering Clauses

32. Accordingly, it is hereby ordered that pursuant to the authority in sections 4, 303, 612, 613, 616, 623, 628, and 653 of the Communications Act of 1934, as amended, 47 U.S.C. 154, 303, 532, 533, 536, 543, 548, 572 and 573, notice is hereby given of proposed amendments to part 76, in accordance with the proposals, discussions, and statement of issues in this *Notice of Proposed Rulemaking,* and that comment is sought regarding such proposals, discussion, and statement of issues.

33. It is further ordered that the Office of Public Affairs Reference Operation Division shall send a copy of this *Notice of Proposed Rulemaking,* including the Initial Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration in accordance with paragraph 603(a) of the Regulatory Flexibility Act, Public Law 96–354, 94 Stat. 1164, 5 U.S.C. 601 *et seq.* (1981).

List of Subjects in 47 CFR Part 76

Cable television.

Federal Communications Commission.

Magalie Roman Salas,

Secretary.

[FR Doc. 98–18036 Filed 7–13–98; 8:45 am]

BILLING CODE 6712–01–P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

49 CFR Part 571

[Docket No. NHTSA–98–4028: Notice 4]

RIN 2127–AC85

Federal Motor Vehicle Safety Standards; Glazing Materials

AGENCY: National Highway Traffic Safety Administration (NHTSA), Department of Transportation (DOT).

ACTION: Withdrawal of notice of proposed rulemaking.

SUMMARY: This notice withdraws a proposal in which the agency considered amending Federal Motor Vehicle Safety Standard No. 205, *Glazing materials*, to revise its light transmittance requirements. The amendments would have specified a new procedure for testing the light transmittance of glazing samples. Instead of specifying that they be tested at the currently specified 90 degree angle, the standard would have specified that they be tested at the acute angle at which the glazing would be installed in the vehicle (the rake angle). The amendments also would have added light transmittance requirements for light trucks, vans, sport utility vehicles, and buses of less than 10,000 pounds gross vehicle weight rating (GVWR), and specified different transmissibility requirements for the various windows.

After reviewing the available information, NHTSA has decided to withdraw this proposal. The reasons for taking this action include the following: the cost impacts of testing at the installed angle pursuant to the proposed new procedure would not be adequately offset by the potential safety benefits of increased visibility if glazing continues to be installed at current rake angles; the practical limits imposed by concerns about visual distortion will prevent rake angles from increasing; the agency does not want to prohibit the use of the best present solar windshield glazing in order to achieve slight differences in effective light transmittance at current rake angles; the agency wishes to better define the relationship between light transmittance and highway safety before it establishes transmittance levels for various vehicle windows; and without controlling for the installed angle of the glazing, setting specific transmittance levels would not consistently and predictably result in improved light transmittance. Another reason for withdrawing this proposal to establish light transmittance levels for additional classes of motor vehicles concerned the fact that the proposed transmittance levels were premised upon adopting the proposed new test method. Since the agency is not adopting the new method, it can not adopt transmittance levels selected on the basis of that method.

FOR FURTHER INFORMATION CONTACT: *For technical issues:* Richard Van Iderstine, Office of Crash Avoidance Standards, National Highway Traffic Safety Administration, 400 Seventh Street, S.W., Washington, D.C., 20590. Telephone: (202) 366–5280.

For legal issues: Paul Atelsek, NCC–20, Rulemaking Division, Office of Chief Counsel, National Highway Traffic Safety Administration, 400 Seventh Street, SW., Washington, D.C. 20590 (202) 366–2992.

SUPPLEMENTARY INFORMATION:

Table of Contents

I. Background
  A. The current standard
  B. Previous events related to this rulemaking
  1. Request for Comments
  2. Report to Congress
  3. Court case against tint film installers
II. Notice of Proposed Rulemaking (NPRM)
  A. Summary of issues analyzed
  B. The proposed rule
  1. Test procedure
  2. Light transmittance levels
  3. Vehicles covered
  4. Compliance by multi-stage manufacturers
  5. Amendments to the language of FMVSS No. 205
III. Comments on the NPRM
  A. Tint film industry
  B. Medical commenters
  C. Safety groups
  D. Law enforcement community
  E. Manufacturers of motor vehicles
  F. Glazing manufacturers
IV. Analysis of issues
  A. Line-of-sight measurement of glazing transmittance
  B. Proposed transmittance values
V. Agency decision
VI. ''Reissuance'' of Standard No. 205

I. Background

A. The Current Standard

Federal Motor Vehicle Safety Standard No. 205, *Glazing Materials* (49 CFR 571.205), specifies performance requirements and permissible locations for the types of glazing that may be installed in motor vehicles. The standard incorporates by reference American National Standards Institute (ANSI) Standard Z26.1, ''Safety Code for Safety Glazing Materials for Glazing Motor Vehicles Operating on Land Highways,'' as amended through 1980 (Z26). The requirements in Z26 are specified in terms of performance tests that the various types, or ''items,'' of glazing must pass.

One of the tests is for luminous, or light, transmittance. This test measures the regular (parallel) transmittance of a sample of the glazing, in terms of the percentage of incident light that passes through the glazing. During the test, light strikes the glazing at a 90 degree angle. To pass the test, the glazing must allow 70 percent of the incident light to pass through.

The amount of light transmitted through vehicle glazing affects the ability of the driver to see objects on the road. Low light transmittance can make it difficult to detect low contrast objects, such as pedestrians, whose luminance and coloring causes them to blend with the background of the roadside environment. The effect of low light transmittance levels on the driver's vision is most pronounced at dusk and night when the ambient light level is low. This is because the ''contrast sensitivity'' of the eye diminishes as the overall brightness of the scene decreases. This lower contrast sensitivity makes it especially difficult to discern low contrast objects. This problem is most acute for older drivers who have poorer contrast sensitivity. Contrast sensitivity declines by a factor of two about every 20 years after age 30. Thus, older drivers have poorer dusk and night vision.

The light transmittance requirements must be met by all glazing installed in windows that are ''requisite for driving visibility'' (see Z26, table 1). In a longstanding interpretation of this term, NHTSA has determined that all windows in a passenger car, with limited exceptions not relevant here, are considered requisite for driving visibility.

For buses, trucks, and multipurpose passenger vehicles (MPV's), glazing that meets the 70 percent light transmittance requirements is required in the windshield, the windows to the immediate left and right of the driver, and any rear or rear side windows that are requisite for driving visibility. The agency has not issued an interpretation specifying which rear or rear side windows are requisite for driving visibility. In rear windows in buses, trucks, and MPV's that are not requisite for driving visibility, items of glazing that are not subject to the 70 percent

light transmittance requirements may be installed.

As mentioned above, light transmittance of glazing is measured in a laboratory test with the glazing perpendicular to the measuring device, instead of at the angle at which it is mounted in the vehicle (called the ''rake'' angle). Glazing transmits the maximum amount of light when it is mounted perpendicular to the line of sight (i.e., at an angle of 90 degrees), as in the current Standard No. 205 test. As the mounting angle decreases, the amount of light transmitted by the windshield also decreases. For example, windshield glazing with a light transmittance of 73 percent when tested perpendicular to the measured light beam, would have a light transmittance of about 65 percent when tested at a typical windshield rake angle of 60 degrees. (A rake angle of 60 degrees from the vertical axis places the sample at a 30 degree angle with respect to the horizontal light beam representing the line of sight.)

B. Previous Events Related to This Rulemaking

1. Request for Comments

NHTSA received four petitions for rulemaking to amend Standard No. 205 ''to permit 35 percent minimum luminous transmittance plastic film on glazing in the side and rear locations of passenger cars.'' If that film were placed on glazing with 70 percent light transmittance, the combined effect would be to allow an overall transmittance of 24.5 percent.

NHTSA granted the petitions and issued a Request for Comments on July 20, 1989 (54 FR 30427). NHTSA received over 100 comments from a variety of groups in response to the Request for Comments. The comments are available for public review in Docket 89–15, Notice 1.

NHTSA received many comments from police departments and other safety groups opposing darker tinting. These commenters were concerned about the ability of the police to see occupants and objects in vehicles with darker tinting and about traffic safety risks. Some commenters opposed any reduction in the required level of window light transmittance under Standard No. 205 because they believed the current level of light transmittance was necessary, particularly for older drivers and for night driving. Domestic automobile manufacturers advocated more research to define driving visibility needs and opposed allowing additional tinting unless research shows that driver and police safety would be maintained. They further indicated that they were pursuing technological advances to reduce solar loads without reducing safety.

Some commenters were supportive of the petitions. Three German automobile manufacturers and a European research institute working on visibility issues supported allowing darker tinting for rear and rear side windows, but opposed it for front side windows. The petitioners and other commenters stated that darker tinting reduces solar heat transmittance and would increase the comfort of vehicle occupants and reduce chlorofluorocarbon (CFC) emissions, thus providing an environmental benefit.

2. Report to Congress

The House Appropriations Committee requested NHTSA to report to the House and Senate Committees on Appropriations on the adequacy of current regulations governing window tinting. In March of 1991, NHTSA issued a Report to Congress which concluded:

- The light transmittance of windows on new passenger cars complying with Standard No. 205 does not present an unreasonable risk of crash occurrence. While it is not possible to quantify the safety effects of lowering the light transmittance through window tinting, data indicate that extensive tinting can reduce the ability of drivers to detect objects, which could lead to an increase in crashes.
- A change in the way light transmittance is measured in Standard No. 205 may be appropriate. Performing the test at the angle the glass is installed on the vehicle, along the driver's line of sight, is more representative of the real world. Light transmittance requirements could be based on the light transmitting performance of production cars since, as noted above, windows in these vehicles provide light transmittance which does not present an unreasonable risk of crash occurrence.
- Because light trucks, including pick-ups, vans and sport utility vehicles, and buses with a GVWR of less than 10,000 pounds (collectively referred to in this document as light trucks) are now used more as personal transportation vehicles, it may be appropriate to harmonize light transmittance of these vehicles with the requirements of passenger cars.
- The benefits of tinting do not appear great enough to justify any loss in safety that may be associated with allowing excessive tinting of windows. Further, technology already being applied in production car windows can reduce the heat build up in the occupant compartment while preserving the driver's visibility. A greater reduction in the ability of drivers to see through the windshield, rear window or front side windows would be expected to decrease highway safety.

3. Court Case Against Tint Film Installers

NHTSA initiated an enforcement case against aftermarket tint film installers who were installing tint film which results in less than 70 percent light transmittance, thereby making safety features installed pursuant to the requirements of Standard No. 205 inoperative. The U.S. District Court of the Middle District of Florida ruled against the agency, holding that Standard No. 205 was not enforceable against window tinting businesses because the agency did not issue a ''new and revised'' Federal Motor Vehicle Safety Standard pursuant to the second sentence of Section 103(h) of the National Traffic and Motor Vehicle Safety Act (Safety Act, since codified at 49 USC Chapter 301). *United States* v. *Blue Skies Projects, Inc.*, 785 F.Supp 957, (M.D. Fla., 1991).

II. Notice of Proposed Rulemaking (NPRM)

NHTSA published an NPRM on January 22, 1992 (57 FR 2496). In the NPRM, the agency first analyzed the issues presented by the petition, the Report to Congress, and public comments submitted in response to the Request for Comments. Then the agency proposed a number of substantive changes in the light transmittance requirements.

A. Summary of Issues Analyzed

The agency examined the suggested benefits of tinting. These included reduction in heat and energy transmittance, reduction in excessive amounts of visible light, reduction in glare, reduction in lacerations and ejections, and increased privacy and aesthetic concerns. NHTSA tentatively concluded that all of these benefits were minimal, could be better achieved through other means such as sunglasses, or could be achieved equally well using untinted film.

NHTSA also examined the potential effect on highway safety of various levels of light transmission. NHTSA generally concluded in its report to Congress that excessive window tinting reduced the ability of drivers to perceive the driving environment, particularly for older drivers and drivers with spectacles. The reduction was most pronounced when viewing low contrast objects, especially at dusk or at night.

NHTSA also examined the necessity for good visibility through particular windows. Front side windows are necessary for viewing intersections, making lane changes with peripheral vision, viewing the side mirrors, and for making eye contact with other drivers and pedestrians who wish to cross the driver's path. Rear side windows are necessary for viewing intersections with acute angles, and for merging onto limited access highways. Rear windows are necessary for merging, backing, and allowing other drivers to see the center high mounted stop lamps.

In addition, the agency examined research studies on the issue of tinting safety. Based on three research studies on the relationship between tinting and object detection, NHTSA concluded that the ability to detect objects decreases as the tint level increases. Although NHTSA concluded that low levels of light transmittance are a safety problem, it was unable to define the magnitude of that problem in terms of a numerical relationship between vehicle collisions and tinting levels. The agency also noted studies showing that 35 percent light transmittance tinting would make it difficult for police officers to detect objects, including a drawn weapon, inside a vehicle during traffic stops.

B. The Proposed Rule

After considering these issues, the agency proposed to amend Standard No. 205 in two major ways. First, to account for the effect of rake angle on light transmittance, NHTSA proposed to change the test procedure so that the glazing sample's luminous transmittance would be viewed and measured at the maximum installation angle (i.e., the maximum nominal rake angle at which glazing could be installed in a motor vehicle). Second, the agency proposed to specify different light transmittance levels for the various windows in vehicles.

1. Test Procedure

The proposed test procedure was based on the Society of Automotive Engineer's (SAE) Recommended Practice J1203, Light Transmittance of Automotive Windshield Safety Glazing Materials and the current Test No. 2 in ANSI Z26. However, the agency simplified the test by eliminating the need to consider the seating reference point when determining the maximum rake angle.

2. Light Transmittance Levels

Since the proposed new test procedure had the effect of making the existing transmittance requirements more stringent, NHTSA proposed to reduce the required light transmittance levels of the windshield to 60 percent. This level is close to the current level of line-of-sight transmittance for most vehicle windshields as measured by the proposed procedure (i.e., on average, the transmittance levels would not have changed from the status quo). Therefore, the proposed reduction in light transmittance presented no additional safety concern. All but two currently produced vehicles would have passed the proposed test. NHTSA requested comment on whether it should specify a line-of-sight transmittance level higher than 60 percent because a research study indicated that permitting transmittance as low as 60 percent might present difficulties for spectacle-wearing drivers and because the European Economic Community was considering proposing a 65 percent level.

NHTSA proposed to require front side windows to have a line-of-sight light transmittance of not less than 60 percent. All current vehicle models would have complied with the proposed requirement. NHTSA chose this level because the agency believes that the light transmittance level for side vision should be the same as for front vision. Because front side windows are not raked as much as windshields, front side windows could have become slightly darker under the proposed amendment.

NHTSA proposed to require 50 percent minimum line-of-sight light transmittance for rear windows. NHTSA did not propose the 60 percent line-of-sight transmittance because (1) the 50 percent level is adequate for high contrast objects, and low contrast objects are less important in rear vision than in frontal vision, (2) 50 percent transmittance would be adequate to preserve the benefits of center high mounted stop lamps, and (3) 60 percent transmittance would disallow a number of current vehicle designs, for which no safety problem has been identified. However, the ''privacy windows'' offered as optional equipment on some MPV's would not be permitted under the proposed amendment since they have a line-of-sight light transmittance of 20 percent or less.

NHTSA proposed to require 30 percent minimum line-of-sight light transmittance for the rear side windows. It chose this level because (1) all new passenger cars and MVS (except MPVs with optional 'privacy windows') currently meet these requirements, and (2) rear side windows are less important for driving visibility than other vehicle windows, so darker tinting on them might not result in measurable adverse safety consequences.

NHTSA noted that requiring improved reflectance of interior and side rear view mirrors in Standard No 111, *Rearview mirrors*, could compensate for any potential darkening of the side and rear windows. The agency requested comment on whether those requirements would be desirable.

3. Vehicles Covered

NHTSA proposed to apply the requirements consistently to all passenger cars, light trucks, MPVs, and buses with a GVWR 10,000 pounds or less. This would have represented an extension of light transmittance requirements to certain unspecified rear and rear side windows in light trucks that NHTSA has said in interpretations are not requisite for driving visibility. NHTSA observed that some of these passenger vehicles were being sold with glass having very low light transmittance.

4. Compliance by Multi-stage Manufacturers

Some light trucks are manufactured in more than one stage or altered after they have been completed and certified by the original manufacturer. Under 49 CFR Part 567, a final-stage manufacturer must certify that the completed vehicle complies with all applicable safety standards and an alterer must certify that the altered vehicle continues to comply with all applicable safety standards. (Throughout the rest of this document, the term ''final-stage manufacturer'' is used to refer to both final-stage manufacturers and alterers.) A practical impact of extending light transmittance requirements to certain rear and rear side windows in light trucks would have been to require final-stage manufacturers to certify compliance with light transmittance requirements for rear and rear side windows, if such windows are present in a vehicle, as they now do for front windshields and front side windows.

NHTSA believed that final-stage manufacturers would generally be able to certify compliance with the expanded light truck requirements in Standard No. 205 without conducting compliance testing, because they could continue to rely on the certification of the prime glazing manufacturer. The prime glazing manufacturer would certify that its glazing material would comply with the light transmittance requirements of the standard if installed in a vehicle at up to a certain rake angle. A final-stage manufacturer would be able to rely on the certification so long as it installed

the glazing at an angle not less than the specified angle.

5. Amendments to the language of FMVSS No. 205

To effectuate these changes, NHTSA proposed adding sections to the standard describing the test procedure and the transmittance requirements for the various windows. The NPRM also proposed numerous changes to the sections specifying where the various items of glazing described in Z26 can be installed in vehicles. Basically, the changes would have taken those items of glazing that could be installed in areas requisite for driving visibility and tested under the current test procedure of Z26, and restricted them to use in trucks, buses, and MPVs with greater than 10,000 pounds GVWR. At the same time, the NPRM proposed to create corresponding new items of glazing (item 2A instead of item 2, for example) that would have been tested according to the proposed test procedure and permitted to be installed in passenger cars and light trucks. NHTSA also proposed to designate a new kind of bullet-resisting glazing that would have 85 percent of the transmittance of the permanent vehicle glazing.

III. Comments on the NPRM

The nearly 1,000 comments on the NPRM were predominantly negative. Over 90 percent of the comments came from automobile window tint film installers, distributors, and manufacturers, and from consumers, although most of these were form letters. There were also comments from law enforcement personnel and organizations, legislators, physicians, highway safety groups, automobile manufacturers, and members of the glazing industry. The comments are summarized below, grouped according to the constituency that they represent.

A. Tint Film Industry

The tint film industry (tinters) of 5,000 businesses employing 20,000 people and represented by the International Window Film Association (IWFA), opposed the proposal and urged NHTSA to amend the standard along the lines of their original petition. IWFA's extensive comment was consistent with, and included nearly every argument made by, the other members of the industry. It stated that there was no justification for NHTSA to propose higher levels of light transmittance than the levels for which they had petitioned. It insisted that the total transmittance be lowered to 24.5 percent. It also disputed NHTSA's jurisdiction over their industry, citing the *Blue Skies* case.

IWFA commented that there was no safety problem with tint film. It stated that one eighth of all cars have tint film, and many MPV's have privacy glass, yet these vehicles have demonstrated no safety problem. It further stated that no data had been submitted to the docket proving a safety problem, that no tinter was aware of any lawsuits or customer complaints alleging that tint film was a safety problem, and that virtually all consumers commented that there was a safety benefit to the film. In addition, it asserted that most police commenters support the state tint laws, most of which allow more tinting (usually 35 percent total) than Standard No. 205.

In support of its position, IWFA submitted research studies that it had commissioned. Its studies concluded that 35 percent tint film does not affect: (1) The ability of police to see into vehicles at night or at dusk; (2) driver detection of low contrast targets at night or at dusk; or (3) older driver performance.

IWFA also criticized the conclusions that the agency drew from the research cited in the NPRM. It stated that two of the studies were unrealistic, poor quality, or carelessly designed and conducted. In IWFA's view, the third study actually supported the use of dark tint films behind the driver.

IWFA asserted that the regulatory flexibility analysis in the NPRM grossly undervalues the benefits of tinting because it did not consider the aggregate benefits of tinting. It especially noted the medical benefits of protection against harmful radiation, and the reduction of solar load with consequent reduction in fuel consumption and CFC emissions.

IWFA also stated that NHTSA underestimates the economic impact of the rule on the tinting industry. According to an IWFA survey, 77 percent of all tinters, which are predominantly small businesses, stated that they would be put out of business by NHTSA's proposed rule.

IWFA stated that NHTSA, in performing its cost-benefit analysis, should consider that different areas of the country (e.g., the Sunbelt versus the Northeast) derive different levels of benefit from tinting. It stated that, for this reason, a uniform national standard for window tint is inappropriate and that regulation should be left to vary among the States.

B. Medical Commenters

The medical commenters were divided on the issue of tinting. Two optometrists wrote in support of the NPRM. One Arizona doctor supported the NPRM and does not believe that ultraviolet (UV) radiation is a significant issue. However, two other doctors commented that they prescribe tint film for protection from UV radiation. A medical researcher offered an extensive comment on the need for tint film, warned of skin conditions and drug sensitivities to even visible light, and concluded that a thriving tint film industry was necessary for patients.

C. Safety Groups

Advocates for Highway and Auto Safety (Advocates) opposed the NPRM because that group believed it would unnecessarily lower windshield and front side window performance. It also stated that it believed that the benefits of international harmonization are diluted by unacceptable light transmittance of the rear and rear side windows. Advocates did not express a strong opinion on the change in the test procedure to measure transmittance at the installed angle.

The Insurance Institute for Highway Safety (IIHS) supported the proposed transmittance requirements for the windshield and front side windows, and generally supported the proposed transmittance measurement procedure. However, it opposed the lower transmittance requirements for the rear and rear side windows. In support of its position, IIHS cited research that it sponsored on the results of reduced transmittance on rearward visibility. The study concluded that older drivers would fail to see low contrast pedestrians up to 83 percent of the time through glazing tinted to 22 percent transmittance. It concluded that transmittance levels below 53 percent (measured perpendicular to the glass) would dangerously reduce nighttime visibility.

D. Law Enforcement Community

The law enforcement community was divided over the issue of tinting, but was generally opposed to the 30 percent transmittance requirements for the rear side windows due to security concerns. Fourteen individual officers wrote to say that they support and use tint film. Another 232 officers opposed the NPRM because of concerns about visibility through the darker rear side windows.

Forty-four police departments and State motor vehicle administrations commented on the proposal. Five supported the NPRM. Thirty-three opposed the NPRM because of the darker rear side windows. Six opposed it because it does not allow tinting as dark as that permitted by the state. Fifteen were opposed because they did

not like the new measurement procedure. Thirteen favored consistent rules for cars and vans. Some of the State agencies believe that the current rule allows States to set transmittance levels, and that the NPRM would preempt State laws for the first time.

Police in some States ran tests of visibility of the interior of the vehicle to a person standing outside the vehicle and looking in through glazing with different levels of transmittance. Virginia and Maine found 28 percent transmittance to provide unsatisfactory visibility. New York found 39.5 percent unsatisfactory. Maine and New York found 40 percent and 58 percent levels of transmittance, respectively, to be satisfactory.

E. Manufacturers of Motor Vehicles

Most of the manufacturer commenters urged that the current standard be maintained until further research indicates a safety need for a change. Ford, GM, Chrysler, Toyota, and the Motor Vehicle Manufacturers Association (now known as the American Automobile Manufacturers Association (AAMA)) all asserted that NHTSA had demonstrated no safety need for the proposal. They cited NHTSA's own conclusion in its Report to Congress that the current light transmittance requirements do not pose an unreasonable risk of crash occurrence. They urged NHTSA to conduct research to quantitatively relate driver visibility needs to crash occurrence before regulating in this area. GM stated that NHTSA should not single out lighting in its analysis from other interdependent factors, such as glare and driver fatigue, relating to crash avoidance.

The foreign vehicle manufacturers generally supported the proposed measurement procedure. Mercedes Benz gave unqualified support to the measurement procedure. Toyota and Suzuki both agreed in principle with the line-of-sight measurement method. However, Suzuki opposed the variability that the new procedure would introduce and instead recommended retaining the existing test and adding a mathematical formula to adjust the results to take the rake angle into account. Volkswagen stated that the procedure was incomplete because the optical systems, procedures, and definitions for certain terms were inadequately specified. Volkswagen and Fiat both recommended the adoption of the European test procedure.

The domestic manufacturers all opposed the new measurement procedure. Chrysler stated that NHTSA's method of defining the installation angle was not objective because sometimes the test installation angle might be higher than the actual angle. Ford and the AAMA asserted that simply changing window trim components on a single vehicle model could alter the test installation angle, and therefore the measured transmittance, even though these changes would not affect the real world installation angle and line-of-sight transmittance. Some of these commenters stated that NHTSA was wrong to base the procedure partly on SAE Recommended Practice J1203, because the development of reflective coated glazing materials had caused the industry to reassess that practice's adequacy and, after the NPRM was published, to take steps to withdraw it.

Ford, GM, and Chrysler also claimed that NHTSA had underestimated the costs of complying with the new test procedure. Ford reported a round-robin test among the manufacturers to support its claim that accurate transmittance measurements could not be made through glazing at windshield rake angles, and concluded that compliance costs would be higher, if indeed the test procedure were repeatable enough to allow certification at all.

Some commenters stated that the procedure was impracticable because the instrumentation necessary to implement it does not exist. Chrysler stated that there are no instruments designed to measure transmittance repeatable with the test specimen at an angle, that it is impractical to try to eliminate all extraneous light, and that existing test equipment would be prone to variability. Hitachi Instruments also commented that there is no commercially available equipment, but said that NHTSA's procedure could be implemented using spectrophotometers, if certain changes were made as Hitachi recommended.

The foreign automobile manufacturers had mixed reactions to the various proposed transmittance levels. Mercedes Benz gave unqualified support to all the proposed transmittance levels. Volkswagen agreed with all the proposed levels except for the 50 percent for the rear window, which it urged be lowered to 40 percent. Toyota opposed all the proposed levels except the 30 percent for the rear side window, stating that NHTSA's report shows that 50 vehicle models, and many of Toyota's current models, would not be in compliance due to their rake angle or the fact that they employ solar energy reflecting glass. Suzuki and Fiat supported the 60 percent level but opposed any higher level.

The domestic vehicle manufacturers all opposed the light transmittance requirements on safety grounds primarily for the reason given above, i.e., that NHTSA had no research proving that there was a safety problem or that it had chosen the correct transmittance levels in the various windows. Ford stated that visibility decreases at a constant rate as light transmittance decreases—therefore, without a break in the curves that could be used as a critical value, the specification of any particular value was arbitrary.

Ford criticized the research studies that the agency relied on to select the proposed transmittance levels. It stated that the NHTSA research was unrealistic because it used passenger cars in a laboratory environment rather than vehicles typically equipped with privacy glass. Ford cited a GM study indicating that drivers of vehicles equipped with privacy glass would likely compensate for decreased visibility, as a result of the higher seating positions and belt lines, by using the vehicle's larger side view mirrors. Ford also submitted an analysis of National Automotive Sampling System (NASS) data that it claimed showed that privacy glass equipped vans have a better safety record than station wagons.

The commenters also cited the loss of benefits of preventing excessive amounts of glare, visible light, and dangerous UV radiation. GM suggested that the loss of daytime safety that would result from disallowing darker tinting might more than offset any increase in nighttime safety.

GM, Ford, and Chrysler all asserted that the proposed transmittance requirements would also increase costs. They all commented that less-tinted glazing would increase the solar load and necessitate a redesign of the air conditioning systems to achieve higher capacity, possibly resulting in a loss of fuel economy. Ford even suggested that body redesign might be necessary to provide for larger grills. GM stated that the additional radiation and heat reaching the inside of the vehicle would cause more rapid degradation of the instrument panel, seats, and other interior materials. GM submitted computer modeling studies of interior vehicle temperatures with different glazing materials. GM concluded that it would have to find or develop new, probably more expensive materials and possibly even redesign instrument panels. Also, it asserted that recently introduced heat absorbing and reflective coated windshields would not be able to be used with installation angles greater than 60 degrees.

Nearly all vehicle manufacturers were opposed to the elimination of privacy glass on the rear and rear side windows of light trucks. They also pointed out that there had been no customer complaints about these products, despite heavy market penetration (50–80 percent) on vehicles where it was offered as an option. GM stated that, given the safety-consciousness of its consumers, the absence of complaints was, in itself, an indication that privacy glass presented no safety problem. Toyota suggested that elimination of privacy glass would result in more vehicle theft, as the cargo became more visible from the outside. In addition, several commenters asserted that there are no available alternative glazing materials that can match current privacy glass in solar rejection and appearance, and that development of these glazing materials would take at least five years.

Some commenters stated that NHTSA should clarify what is meant by the term ''requisite for driving visibility.'' Stating that the proposal would divorce the new transmittance requirements from the portion of Z26 that refers to the term, Mercedes Benz suggested that NHTSA add a definition for ''shade bands'' and declare them not requisite for driving visibility. Suzuki requested that a definition of the phrase be included in the standard.

F. Glazing Manufacturers

PPG Industries (PPG) and Libby Owens Ford (LOF) both emphasized the significant research and investments they had made in developing solar and heat reduction glazing. PPG and LOF believe that the proposed transmittance requirements in the standard would eliminate both the new glazing and the use of standard products by the industry. LOF opposed all aspects of the rulemaking, but recommended various lower transmittance values that would allow the continued use of existing glass products, in the event that NHTSA planned to implement the proposal.

PPG also stated that the lead time required to produce new products that meet the proposed requirements would necessitate the temporary use of less effective materials. LOF estimated that compliant solar control glazing would take five years to develop and test.

PPG stated that heat resistant glazing is more effective than NHTSA assumed in the NPRM, because the heat transfer rate from the glass to the outside air is higher than the heat transfer rate from the glass to the vehicle interior. PPG and LOF also asserted, without providing data, that fuel economy would be reduced by up to 10 percent, or 1.0–1.5 mpg without solar control glass. These and other commenters stated that steeply raked windshields have the greatest need for solar rejection glazing, yet are also the most likely to be restricted in its use by the proposed transmittance requirements.

The glazing manufacturers asserted that NHTSA overestimated the relative impact of light transmission on visual acuity. PPG conducted vision studies at Rensselaer Polytechnic Institute that it said indicate that other factors, such as age, road condition, and glare affect visual acuity more than windshield light transmission reduction (down to 50 percent). At night, with lights shining in the driver's eyes, the reduced windshield transmittance reduced driver visibility by less than one percent. LOF submitted a study conducted in cooperation with GM and Cornell University that suggested that night driving was actually improved when tinted glass was substituted for clear glass. Regarding the safety of police, LOF suggested that NHTSA consider the effect of external reflectivity of the outside surface of the glazing and include in the standard a maximum exterior reflectance of 25 percent.

Glazing manufacturers also commented that the proposed test procedure is impractical and unnecessary, and would increase costs. PPG stated that the test is complex, requires very sophisticated and expensive instrumentation and computer software, including an optical alignment system and a double beam ratio recording spectrophotometer. LOF estimated that this equipment would cost $500,000. In addition, LOF estimated that its certification costs for the 175 types of its glazing would rise from $230,000 to $730,000 annually because it would have to assign different model numbers to the same glass specifying its use in front side windows, rear side windows, and rear windows.

LOF commented that glazing parts that are manufactured close to the lower limit of transmission may fail the standard at the assembly site (presumably because they are installed at a greater rake angle than anticipated), rather than at the glass manufacturing plant where remedial actions are possible. LOF suggested that the standard should permit calculating the angled transmittance values from the normal transmittance values using a series of curves.

Finally, the agency received a September 1995 report from DRI/McGraw-Hill, and a similar docket comment from LOF, indicating that rake angles have reached a practical maximum. The study of glazing design trends was conducted for Monsanto, a supplier of automobile glass, and was based on reviews of the technical literature, secure interviews with industry, OEM, and government sources, and statistics run on market profile data. The report concluded that further increases in rake angles would be limited both by laminate-caused distortion and by viewing glare design considerations to a range of 63 to 66 degrees of rake. NHTSA believes the actual maximum is slightly higher, because it knows of one production vehicle with a 68 degree rake angle. If these conclusions are correct, the recent trend toward increasing rake angles will abate.

IV. Analysis of Issues

The commenters have suggested a variety of arguments for why NHTSA should not go forward with its proposal. NHTSA is relying on some of those arguments in its decision to withdraw the proposal, but not on others. This section identifies some of those arguments that NHTSA finds compelling, and some that it does not find compelling. The following section, Section V, summarizes the main reasons for the agency's decision.

A. Line-of-Sight Measurement of Glazing Transmittance

NHTSA continues to believe that a line-of-sight measurement technique would have many advantages. The technique measures the effective transmittance of the glazing as it is used in the real world. It would also allow the nearly vertical rear windows in trucks and some passenger cars to be more heavily tinted than the more slanted glazing in most car windows without a relative loss of visibility. The current test procedure, although easy to perform, has the disadvantage of allowing vehicles with the same glazing to have radically different effective transmittance values, depending on the rake angle of their windows.

However, the commenters have raised significant questions about the practicability of the proposed procedure. NHTSA agrees that the procedure is more complex. New, expensive equipment would have to be purchased and, perhaps even in some cases, developed in order to test the transmittance of glazing at its installed angle. NHTSA believes that the certification costs would also increase, although probably not so much as LOF suggests. The transmittance for a particular type of glazing that is installed at a variety of angles in different vehicles would, as a practical

matter, only have to be tested at the maximum angle at which it is installed. Only in the unlikely event that a vehicle manufacturer always installed glazing that is tinted to the maximum extent allowed, given its installation angle, would it become necessary to make glazing in a large number of shades to match installation angles.

NHTSA does not agree, however, that it is impossible to measure transmittance at the installation angle. U.S. manufacturers claimed that, for coated glass, accurate measurements and calculations are impossible. Regarding Ford's round-robin tests to demonstrate that measurements could not be made at windshield rake angles, NHTSA disagrees with Ford's conclusion. The problem in Ford's testing was that one company was unable to make accurate measurements, apparently because the required sample size did not fit that company's test apparatus. The measurement scatter for the other companies (about 2 percent) was no greater for the solar reflective glazing than for clear laminated glass. There is some instrumental variation inherent in any measurement.

NHTSA believes that the approach of measuring the transmittance normal to the glazing and then using a formula to calculate the theoretical transmittance at the installed angle would be practical. This is the approach recommended by LOF and the Japanese automobile manufacturers. The Japanese manufacturers suggested a computational method that necessitates only laboratory work to convert normal transmittance measurements at the manufacturing plant to transmittance values at angles. Adoption of this approach would solve any problems associated with measuring coated glass at angles.

There would still be increased costs associated with determining transmittance by calculation. To the extent that manufacturers want to install the darkest possible glass, there would still be a multiplication of the different shades of glazing corresponding to the various installation angles. If this occurred, it would result in increased inventory costs from having to produce and maintain a supply of a greater variety of tinted glazing.

B. Proposed Transmittance Values

NHTSA is also withdrawing the portion of the proposal that specified different light transmittance levels for the various vehicle windows. There are several reasons for taking this action.

First, the agency wants to obtain more data defining the relationship between transmittance and safety before setting different light transmittance levels, especially in light of the absence of support for the proposed values. Ideally, the additional data would include statistics concerning the involvement of vehicles with tinted windows in crashes, but this is problematic, given the existing data collection mechanisms. The presence or absence of tint film is not recorded on State crash report forms. In addition, many crashes that involve backing vehicles go unrecorded because they occur in parking lots and driveways, areas that the agency's databases do not cover. NHTSA will consider how to capture these data in the future.

Second, if the manufacturers are not required to account for the effect of the installed angle of the glass when measuring light transmittance, promulgating a larger set of specific transmittance values for glazing would not necessarily result in the desired levels of line-of-sight transmittance, because of the wide variety of window rake angles. For example, two vehicle models using the same 50 percent transmittance glass (measured perpendicular to the window) in the rear window would have very different actual transmittances if the windows on one model were significantly more raked than on the other. Setting 60, 50, and 30 percent transmittance values for various windows would give a false impression of regulatory precision because the variability in rake angles would generate a much wider range of in-use transmittance values.

Third, given the decision to withdraw the proposal to specify testing glazing at its installed angle, there would have been a scope of notice problem if the agency had adopted the proposed light transmittance levels. The proposal had two interdependent parts: (1) The proposed light transmittance levels; and (2) the proposed new test method. The adoption of the transmittance levels was premised upon changing the test method from the current procedure of testing at a right angle to the glazing to a new procedure of testing the glazing at the same angle at which an occupant would look through the glazing as it is installed in a vehicle. For any given piece of glazing, testing it at a right angle yields higher transmittance values than testing it at an acute angle, i.e., the installed angle. Since the agency is not adopting the new test method, it can not adopt transmittance levels premised on adopting that method. Even if the agency had concluded, based on the comments and other available information, that it were nevertheless desirable to go ahead and adopt new light transmittance levels, the proposed levels would have had to be adjusted upward to offset the effects of retaining the current test method. However, adjusting the levels upward, and then adopting them, would have been beyond scope of notice.

Although the agency is withdrawing this proposal, NHTSA wants to emphasize that it does not accept the proposition advanced by some commenters that the agency cannot regulate in this area without numerically linking crash data to specific light transmittance values. Isolating the contribution of light transmittance from the contributions of the other interrelated driver, vehicle, highway, and environmental factors that cause crashes is extremely difficult. Predicting the effectiveness of countermeasures such as uniform line-of-sight light transmittance at certain values is even more difficult. Although NHTSA attempts, within its capabilities, to quantify the benefits of its actions, it still has a duty to regulate when such regulations would meet the need for motor vehicle safety, even in areas with inherent uncertainty. Therefore, especially for the crash avoidance standards, decisionmaking necessarily rests in part on policy judgment.

The agency is not basing its decision to withdraw the proposal on the research data submitted by IWFA regarding the effect of different levels of light transmittance on object detection. The researchers employed by IWFA used a simulator-type experiment in an attempt to demonstrate that glazing with transmittance as low as 17 percent did not interfere with object detection during left turns, backing, or lane changing. The value of the simulation is questionable, since the actions were sequential, and therefore less challenging than an actual driving experience in which a driver must operate the vehicle controls at the same time he or she is attempting to look through the glazing and detect objects outside the vehicle in the driving environment. Further, the method of characterizing the average contrast of the targets may be misleading because the targets were not homogeneous in color or reflectivity (*e.g.*, it is easier to see someone in a dark suit if he or she is wearing a white hat). NHTSA also does not regard a 22 percent target detection failure rate as good performance.

In fact, most research indicates that light transmittance and safety are related. In 10 of the 15 investigations of target detection with varying light transmittance, there were reductions in the subjects' abilities to identify and detect targets corresponding with

reductions in transmittance. The agency believes that the few investigations in which there was not any significant relationship used inappropriate experimental performance criteria, target contrast, illumination, and task difficulty. Some did not even use glazing with transmittances of less than 70 percent. NHTSA concludes that the most credible studies confirm the common-sense relationship between light transmittance and target identification.

In response to those commenters that believed the NPRM would for the first time preempt States from setting their own transmittance requirements, NHTSA notes this would not be the case. Federal law already preempts States from setting any different level of transmittance for regulated windows on new vehicles at the time of sale. Federal law also preempts States from allowing businesses to make inoperative the transmittance levels on regulated windows of used vehicles. However, States are free to set and enforce lower minimum transmittance levels on regulated windows for vehicles to be licensed in or used in the State.

Similarly, States are free to set and enforce transmittance levels for windows not regulated under the Federal standard (*e.g.*, the rear and rear side windows of light trucks). The States are free to prohibit dark windows in these vehicles if they believe it is necessary for the safety of police officers.

V. Agency Decision

After reviewing the available information, NHTSA has decided to withdraw the proposal regarding the light transmittance requirements of Standard No. 205, for the following reasons:

(1) While the proposal to measure light transmittance at the installed angle has theoretical merit, the proposed requirements would add costs for manufacturers, in the form of increased testing, certification, and inventory costs, which would be passed on to consumers without, as noted below, providing any assurance of commensurate additional benefits.

(2) There is limited prospect of commensurate increases in visibility and safety. The agency believes that, barring unforeseen advances in glass properties, windshield rake angles have now reached a practical limit of about 66 to 68 degrees due to the need to avoid visual distortion. If this is true, the recent trend toward greater rake angles will not continue. Thus, one of the agency's concerns when issuing the NPRM is now moot. At windshield rake angles of 66 to 68 degrees, there would be little practical improvement in windshield visibility between the proposed regulation and the current regulation to offset the increased costs.

(3) The proposed amendment would have had the practical effect of limiting solar reflective windshields to a rake angle of about 63 degrees. The difference in transmittance between the same windshield at rake angles of 63 degrees and 66 degrees is slight and not commensurate to the cost of limiting vehicle design or the changes that might be forced on glass technology.

The agency intends to monitor developments in this area. Should the factors limiting rake angle be overcome in the future and more extreme rake angles become a reality, the agency may revisit the issue.

(4) NHTSA finds persuasive the industry comments that the proposal would make solar control glazing less feasible and more costly for windshields. The windshield is the principal point of entry of solar heat into the interior of most vehicles. Increased rake angles exacerbate solar heating by presenting a more favorable angle for solar radiation and a greater uninsulated surface area. A type of windshield glazing which reflects infrared solar radiation, while retaining the 70 percent perpendicular visible light transmittance required by the present regulation, has been developed for vehicles with high rake angles. Since the proposal would have only affected vehicles with the highest rake angles (over 63 degrees), a possible unintended consequence would have been to bar the use of the most effective solar control windshield glazing on the vehicles with the greatest need of it. Since the agency no longer foresees a continuing trend toward greater windshield rake angles, it is not inclined to prohibit the use of the best currently available solar control windshield glazing for the sake of effective light transmittance differences that are very small at the rake angles that are possible, given the limits on rake angles imposed by visual distortion.

(5) NHTSA wishes to better define the relationship between light transmittance and highway safety before requiring differing transmittance values for different vehicle windows.

(6) Without line-of-sight measurements, setting specific transmittance values would not result in consistent actual light transmittance. The wide range of window rake angles would result in different line-of-sight transmittance values, even when the drivers of vehicles with different rake angles are looking through identical glazing. Therefore, promulgating graduated transmittance values would give a false sense of precision.

(7) The decision to withdraw the proposal to establish light transmittance levels for additional classes of motor vehicles was also based on the fact that the proposed transmittance levels were premised upon adopting the proposed new test method. Since the agency is not adopting the new method, it can not adopt transmittance levels selected on the basis of that method.

VI. "Reissuance" of Standard No. 205

The light transmittance requirements for Standard No. 205 were originally adopted pursuant to the first sentence of former section 103(h) of the National Traffic and Motor Vehicle Safety Act (Safety Act), 15 U.S.C. § 1392(h), as the "initial" standard based on an "existing" standard (*i.e.*, ANSI Z26). The second sentence of that section provided that "new and revised standards" should be issued "on or before January 31, 1968."

Section 103(h) was repealed in conjunction with the 1994 codification of the Safety Act into 49 U.S.C. Chapter 301. The House Judiciary Committee Report accompanying that codification states that the section was repealed because it had already been "executed." This supports the agency's view that section 103(h) did not impose a continuing duty upon the agency to reissue each of the initial standards that had been based on safety standards that existed prior to enactment of the Safety Act. Nevertheless, to the extent that former section 103(h) could have been construed as requiring a reexamination and reissuance of such standards, the present rulemaking proceeding constitutes such a reexamination and reissuance of the current standard.

This reissuance does not affect the requirements of the standard, but simply reaffirms and republishes the requirements as they presently exist in 49 CFR part 571.205. For this reason, no regulatory analyses have been conducted.

Issued: July 8, 1998.

L. Robert Shelton,

Associate Administrator for Safety Performance Standards.

[FR Doc. 98–18704 Filed 7–13–98; 8:45 am]

BILLING CODE 4910–59–P

Notices

Federal Register

Vol. 63, No. 134

Tuesday, July 14, 1998

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

Research, Education, and Economics.

Notice of Strategic Planning Task Force Meeting

AGENCY: Research, Education, and Economics, USDA.

ACTION: Notice of Meeting.

SUMMARY: The United States Department of Agriculture announces a meeting of the Strategic Planning Task Force on Research Facilities.

SUPPLEMENTARY INFORMATION: The Strategic Planning Task Force on Research Facilities, currently consisting of 14 members, is scheduled to meet for the FIFTH of eight planned meetings. The meeting is scheduled to be held at the St. Louis Airport Hilton. St. Louis, Missouri, beginning at 1:00 p.m. on August 25 and concluding at noon on August 28. The meeting will be devoted to a review of the Task Force progress in data collection and the afternoon of Thursday, August 27, 1998, to a discussion of private sector agriculture research.

TIMES AND DATES: August 25, 1998, 1:00 p.m.–5pm; August 26, 1998, 8:00 a.m.–5:00 p.m.; August 27, 1998, 8:00 a.m.–5:00 p.m.; and August 28, 1998, 8:00 a.m.–noon.

PLACE: St. Louis Airport Hilton, St. Louis, Missouri.

TYPE OF MEETING: Open to the public.

COMMENTS: The public may file written comments before or after the meeting with the contact person listed below.

FOR FURTHER INFORMATION CONTACT: Mitch Geasler, Project Director, Strategic Planing Task force on Research Facilities, Room 344–A Jamie L. Whitten Building, USDA, 1400 Independence Avenue SW., Washington, D.C. 20250–0113. Telephone 202–720–3803.

Done at Washington, D.C., on this 6th Day of July 1998.

I. Miley Gonzalez,

Under Secretary, Research, Education, and Economics.

[FR Doc. 98–18451 Filed 7–13–98; 8:45 am]

BILLING CODE 3410–22–P

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

Notice of Request for Extension and Revision of a Currently Approved Information Collection

AGENCY: Commodity Credit Corporation, USDA.

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, this notice announces the Commodity Credit Corporation's (CCC) intention to request an extension for and revision to an information collection currently approved in support of the Sugar Loan Program regulations for sugar beets and sugarcane. New legislation resulted in a decrease in burden hours.

DATES: Comments on this notice must be received on or before September 14, 1998 to be assured consideration.

FOR FURTHER INFORMATION CONTACT: Merle Strawderman, Agricultural Program Specialist, Price Support Division, Farm Service Agency, USDA, STOP 0512, 1400 Independence Avenue, SW, Washington, D.C. 20013–0512; telephone (202) 720–9889; e-mail Merle__ Strawderman@wdc.fsa.usda.gov.; or facsimile (202) 690–3307.

SUPPLEMENTARY INFORMATION:

Title: Sugar Program, 7 CFR part 1435.

OMB Control Number: 0560–0093.

Expiration Date: July 31, 1998.

Type of Request: Extension and Revision of a Currently Approved Information Collection.

Abstract: The information collected under Office of Management and Budget (OMB) Control Number 0560–0093, as identified above, is needed to enable FSA to effectively administer the regulations at 7 CFR part 1435 relating to loans for sugar beets and sugarcane. Changes in the sugar program authority contained in the Federal Agriculture Improvement and Reform Act of 1996 modified sugar processors' requirements for participating in the sugar loan program. As a result, the collection of information on CCC Forms SU–3, Request for Benefit payment, SU–4, Surety Bond for Sugar Loan Program, SU–5, Claims Waiver, and SU–6, Agreement to Provide Adequate Financial Assurance is no longer necessary. Accordingly, CCC is eliminating these forms and decreasing the burden hours associated with participation in the sugar loan program.

Estimate of Burden: Public reporting burden for this information collection is estimated to average 16 minutes per response.

Respondents: Sugar processors and producers.

Estimated Number of Respondents: 30.

Estimated Number of Responses per Respondent: 120.

Estimated Total Annual Burden on Respondents: 65 hours.

Topics for comment include but are not limited to the following: (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 through 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, D.C. 20503 and to Merle Strawderman, Program Specialist, Price Support Division, Farm Service Agency, USDA, STOP 0512, 1400 Independence Avenue, SW, Washington, D.C. 20013–0512; telephone (202) 720–9889. Copies of the information collection may be obtained from Merle Strawderman at the above address.

All responses to this notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

Signed at Washington, DC, on July 6, 1998.

Richard O. Newman,

Acting Executive Vice President, Commodity Credit Corporation.

[FR Doc. 98–18663 Filed 7–13–98; 8:45 am]

BILLING CODE 3410–05–P

DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

Crop Revenue Coverage

ACTION: Notice of availability.

SUMMARY: In accordance with section 508(h) of the Federal Crop Insurance Act (Act), the Federal Crop Insurance Corporation (FCIC) Board of Directors (Board) approves for reinsurance and subsidy the insurance of wheat in select states and counties under the Crop Revenue Coverage (CRC) plan of insurance for the 1999 crop year. This notice is intended to inform eligible producers and the private insurance industry of the CRC coverage changes for wheat and provide its terms and conditions.

FOR FURTHER INFORMATION CONTACT: Tim Hoffmann, Director, Product Development Division, Federal Crop Insurance Corporation, United States Department of Agriculture, 9435 Holmes Road, Kansas City, Missouri, 64131, telephone (816) 926-7387.

SUPPLEMENTARY INFORMATION: Section 508(h) of the Act allows for the submission of a policy to FCIC's Board and authorizes the Board to review and, if the Board finds that the interests of producers are adequately protected and that any premiums charged to the producers are actuarially appropriate, approve the policy for reinsurance and subsidy in accordance with section 508(e) of the Act.

In accordance with the Act, the Board approved a program of insurance known as CRC, originally submitted by American Agrisurance, a managing general agency for Redland Insurance Company.

The CRC program has been approved for reinsurance and premium subsidy, including subsidy for administrative and operating expenses. CRC is designed to protect producers against both price and yield losses. CRC provides a harvest revenue guarantee that pays losses from the established yield coverage at a higher price if the harvest time price is higher than the spring price.

In the 1996 crop year, the CRC program was available for corn and soybeans in all counties in Iowa and Nebraska. In the 1997 crop year, the CRC program was expanded for corn into Colorado, Illinois, Indiana, Kansas, Michigan, Minnesota, Missouri, Ohio, Oklahoma, South Dakota, and Texas, and soybeans into Illinois, Indiana, Kansas, Michigan, Minnesota, Missouri, Ohio, Oklahoma, South Dakota, and Texas. New CRC programs were also made available for grain sorghum in Colorado, Nebraska, Oklahoma, and crop reporting districts 20, 30, 50, and 70 in Kansas, 40 in Missouri, 50 and 80 in South Dakota, and 40, 51, 52, 81, 82, 90, 96, and 97 in Texas; for cotton in Arizona, Georgia, Oklahoma, and crop reporting districts 11, 12, 21, and 22 in Texas; and for wheat into Kansas, Michigan, Minnesota, Nebraska, South Dakota, Texas, Washington, and twenty-three counties each in Montana and North Dakota.

In the 1998 crop year, the CRC program was expanded for corn into Alabama, Arizona, Arkansas, California, Georgia, Idaho, Kentucky, Louisiana, Mississippi, Montana, New Mexico, North Carolina, North Dakota, Oregon, South Carolina, Tennessee, Utah, Virginia, Washington, Wisconsin, and Wyoming; for soybeans into Alabama, Arkansas, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, North Dakota, South Carolina, Tennessee, Virginia, and Wisconsin; for grain sorghum into Alabama, Arkansas, California, Georgia, Illinois, Indiana, Iowa, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, New Mexico, North Carolina, North Dakota, Ohio, South Carolina, Tennessee, Virginia, Wisconsin, and the remaining counties in Kansas, Missouri, South Dakota, and Texas; for cotton into Alabama, Arkansas, California, Kansas, Louisiana, Mississippi, Missouri, New Mexico, North Carolina, South Carolina, Tennessee, Virginia, and the remaining counties in Texas; and for wheat into Alabama, Arizona, Arkansas, California, Colorado, Georgia, Idaho, Illinois, Indiana, Iowa, Kentucky, Louisiana, Mississippi, Missouri, New Mexico, North Carolina, Ohio, Oklahoma, Oregon, South Carolina, Tennessee, Utah, Virginia, Wisconsin, Wyoming, and remaining counties in Montana and North Dakota.

Prior to the 1998 crop year, the CRC policy only provided coverage for basic and optional units, as selected by the insured. The expected market price was also based on 95 percent of the average daily settlement price prior to the 1998 spring crops. Beginning with the 1998 crop year, insureds could select basic, optional or enterprise units for corn and soybeans and 95 or 100 percent of the average daily settlement price for corn, grain sorghum, soybeans and cotton. The CRC program was also changed to provide insurance for any producer that had been identified on the nonstandard underwriting classification system (NCS).

Beginning with the 1999 crop year for CRC wheat, producers may select basic, optional or enterprise units, 95 or 100 percent of the average daily settlement price, coverage for all acreage classified as high risk, and a separate price for durum wheat. A methodology has also been developed for determining the spring wheat Base Price in counties that have both fall and spring wheat programs, but only a fall cancellation date.

FCIC herewith gives notice of the above stated changes for the 1999 crop year for CRC wheat for use by private insurance companies.

The CRC underwriting rules, rate factors and forms for wheat will be released electronically to all reinsured companies through FCIC's Reporting Organization Server. FCIC will also make available the terms and conditions of the CRC reinsurance agreement. Requests for this information should be sent to Heyward Baker, Director, Reinsurance Services Division, Federal Crop Insurance Corporation, 1400 Independence Avenue, S.W., Stop 0804, Room 6727-S, Washington, D.C., 20250–0804.

Following is a complete list of insurable CRC crops by state for the 1999 crop year:

Alabama—Corn, Cotton, Grain Sorghum, Soybeans, Wheat
Arizona—Corn, Cotton, Wheat
Arkansas—Corn, Cotton, Grain Sorghum, Soybeans, Wheat
California—Corn, Cotton, Grain Sorghum, Wheat
Colorado—Corn, Grain Sorghum, Wheat
Georgia—Corn, Cotton, Grain Sorghum, Soybeans, Wheat
Idaho—Corn, Wheat
Illinois—Corn, Grain Sorghum, Soybeans, Wheat
Indiana—Corn, Grain Sorghum, Soybeans, Wheat
Iowa—Corn, Grain Sorghum, Soybeans, Wheat
Kansas—Corn, Cotton, Grain Sorghum, Soybeans, Wheat
Kentucky—Corn, Grain Sorghum, Soybeans, Wheat
Louisiana—Corn, Cotton, Grain Sorghum, Soybeans, Wheat
Michigan—Corn, Grain Sorghum, Soybeans, Wheat
Minnesota—Corn, Grain Sorghum, Soybeans, Wheat
Mississippi—Corn, Cotton, Grain Sorghum, Soybeans, Wheat
Missouri—Corn, Cotton, Grain Sorghum, Soybeans, Wheat

Montana—Corn, Wheat
Nebraska—Corn, Grain Sorghum, Soybeans, Wheat
New Mexico—Corn, Cotton, Grain Sorghum, Wheat
North Carolina—Corn, Cotton, Grain Sorghum, Soybeans, Wheat
North Dakota—Corn, Grain Sorghum, Soybeans, Wheat
Ohio—Corn, Grain Sorghum, Soybeans, Wheat
Oklahoma—Corn, Cotton, Grain Sorghum, Soybeans, Wheat
Oregon—Corn, Wheat
South Carolina—Corn, Cotton, Grain Sorghum, Soybeans, Wheat
South Dakota—Corn, Grain Sorghum, Soybeans, Wheat
Tennessee—Corn, Cotton, Grain Sorghum, Soybeans, Wheat
Texas—Corn, Cotton, Grain Sorghum, Soybeans, Wheat
Utah—Corn, Wheat
Virginia—Corn, Cotton, Grain Sorghum, Soybeans, Wheat
Washington—Corn, Wheat
Wisconsin—Corn, Grain Sorghum, Soybeans, Wheat
Wyoming—Corn, Wheat

Notice: The Basic Provisions, Crop Provisions, Winter Wheat Coverage Endorsement, and Commodity Exchange Endorsement for the 1999 CRC winter wheat program of insurance are as follows.

Crop Revenue Coverage Insurance Policy

(This is a continuous policy. Refer to section 3.)

This policy is reinsured by the Federal Crop Insurance Corporation (FCIC) under the authority of section 508(h) of the Federal Crop Insurance Act, as amended (7 U.S.C. 1508(h)). The provisions of the policy may not be waived or varied in any way by the crop insurance agent or any other agent or employee of the company. In the event the company cannot pay a loss, the claim will be settled in accordance with the provisions of the policy and paid by FCIC. No state guarantee fund will be liable to pay the loss. Throughout the policy, ''you'' and ''your'' refer to the named insured shown on the accepted application and ''we,'' ''us,'' and ''our'' refer to the company. Unless the context indicates otherwise, use of the plural form of a word includes the singular and use of the singular form of the word includes the plural.

Agreement to Insure: In return for the payment of the premium, and subject to all of the provisions of this policy, the company agrees with the insured to provide the insurance as stated in the policy. If a conflict exists among the policy provisions, the order of priority is as follows: (1) the Special Provisions; (2) the Commodity Exchange Endorsement; (3) the Crop Provisions; and (4) these Basic Provisions, with (1) controlling (2), etc.

Basic Provisions

Terms and Conditions

1. Definitions

Abandon. Failure to continue to care for the crop, providing care so insignificant as to provide no benefit to the crop, or failure to harvest in a timely manner, unless an insured cause of loss prevents you from properly caring for or harvesting the crop or causes damage to it to the extent that most producers of the crop on acreage with similar characteristics in the area would not normally further care for or harvest it.

Acreage report. A report required by section 7 of these Basic Provisions that contains, in addition to other required information, your report of your share of all acreage of an insured crop in the county, whether insurable or not insurable.

Acreage reporting date. The date contained in the Special Provisions or as provided in section 7 by which you are required to submit your acreage report.

Act. The Federal Crop Insurance Act, (7 U.S.C. 1501 *et seq.*).

Actuarial documents. The material for the crop year which is available for public inspection in your agent's office, and which show the revenue guarantees, coverage levels, premium rates, practices, insurable acreage, and other related information regarding crop insurance in the county.

Agricultural commodity. All insurable crops and other fruit, vegetable or nut crops produced for human or animal consumption.

Another use, notice of. The written notice required when you wish to put acreage to another use (see section 15).

Application. The form required to be completed by you and accepted by us before insurance coverage will commence. This form must be completed and filed in your agent's office not later than the sales closing date of the initial insurance year for each crop for which insurance coverage is requested. If cancellation or termination of insurance coverage occurs for any reason, including but not limited to indebtedness, suspension, debarment, disqualification, cancellation by you or us, or violation of the controlled substance provisions of the Food Security Act of 1985, a new application must be filed for the crop. Insurance coverage will not be provided if you are ineligible under the contract or under any Federal statute or regulation.

Approved yield. The yield determined in accordance with 7 CFR part 400, subpart (G). This yield is established for basic or optional units. The Approved Yield for each basic unit comprising an enterprise unit is retained for premium and final guarantee purposes under an enterprise unit.

Assignment of indemnity. A transfer of policy rights, made on our form, and effective when approved by us. It is the arrangement whereby you assign your right to an indemnity payment to any party of your choice for the crop year.

Base Price. The initial price determined in accordance with the Commodity Exchange Endorsement and used to calculate your premium and Minimum Guarantee.

CRC low price factor. A premium factor, as set forth in the actuarial documents, used to calculate the risk associated with a decrease in the Harvest Price relative to the Base Price.

CRC high price factor. A premium factor, as set forth in the actuarial documents, used to calculate the risk associated with an increase in the Harvest Price relative to the Base Price.

CRC rate. A premium rate, as set forth in the actuarial documents, used to calculate the risk associated with producing a level of production.

Cancellation date. The calendar date specified in the Crop Provisions on which coverage for the crop will automatically renew unless canceled in writing by either you or us, or terminated in accordance with the policy terms.

Claim for indemnity. A claim made on our form by you for damage or loss to an insured crop and submitted to us not later than 60 days after the end of the insurance period (see section 15.)

Consent. Approval in writing by us allowing you to take a specific action.

Contract. (see ''policy''.)

Contract change date. The calendar date by which we make any policy changes available for inspection in the agent's office (see section 5.)

County. Any county, parish, or other political subdivision of a state shown on your accepted application, including acreage in a field that extends into an adjoining county if the county boundary is not readily discernible.

Coverage. The insurance provided by this policy, against insured loss of revenue by unit as shown on your summary of coverage.

Coverage begins, date. The calendar date insurance begins on the insured crop, as contained in the Crop Provisions, or the date planting begins

on the unit (see section 12 of these Basic Provisions for specific provisions relating to prevented planting.)

Crop Provisions. The part of the policy that contains the specific provisions of insurance for each insured crop.

Crop year. The period within which the insured crop is normally grown and designated by the calendar year in which the insured crop is normally harvested.

Damage. Injury, deterioration, or loss of revenue of the insured crop due to insured or uninsured causes.

Damage, notice of. A written notice required to be filed in your agent's office whenever you initially discover the insured crop has been damaged to the extent that a loss is probable (see section 15.)

Days. Calendar days.

Deductible. The amount determined by subtracting the coverage level percentage you choose from 100 percent. For example, if you elected a 65 percent coverage level, your deductible would be 35 percent (100%—65% = 35%).

Delinquent account. Any account you have with us in which premiums, and interest on those premiums is not paid by the termination date specified in the Crop Provisions, or any other amounts due us, such as indemnities found not to have been earned, which are not paid within 30 days of our mailing or other delivery of notification to you of the amount due.

Earliest planting date. The earliest date established for planting the insured crop (see Special Provisions and section 14.)

End of insurance period, date of. The date upon which your crop insurance coverage ceases for the crop year (see Crop Provisions and section 12.)

FCIC. The Federal Crop Insurance Corporation, a wholly owned government corporation within USDA.

Field. All acreage of tillable land within a natural or artificial boundary (*e.g.*, roads, waterways, fences, etc.)

Final Guarantee. The number of dollars guaranteed per acre determined to be the higher of the Minimum Guarantee or the Harvest Guarantee, where:

(1) Minimum Guarantee—The Approved Yield per acre multiplied by the Base Price multiplied by the coverage level percentage you elect.

(2) Harvest Guarantee—The Approved Yield per acre multiplied by the Harvest Price, multiplied by the coverage level percentage you elect.

If you elect enterprise unit coverage, the Basic Units comprising the enterprise unit will retain separate Final Guarantees.

Final planting date. The date contained in the Special Provisions for the insured crop by which the crop must initially be planted in order to be insured for the full Final Guarantee.

FSA. The Farm Service Agency, an agency of the USDA, or a successor agency.

FSA farm serial number. The number assigned to the farm by the local FSA office.

Good farming practices. The cultural practices generally in use in the county for the crop to make normal progress toward maturity and produce at least the yield used to determine the Final Guarantee and are those recognized by the Cooperative State Research, Education, and Extension Service as compatible with agronomic and weather conditions in the county.

Harvest Price. The final price determined in accordance with the Commodity Exchange Endorsement and used to calculate your Calculated Revenue (as defined in the Crop Provisions) and the Harvest Guarantee.

Insured. The named person shown on the application accepted by us. This term does not extend to any other person having a share or interest in the crop (for example, a partnership, landlord, or any other person) unless specifically indicated on the accepted application.

Insured crop. The crop for which coverage is available under these Basic Provisions and the applicable Crop Provisions as shown on the application accepted by us.

Interplanted. Acreage on which two or more crops are planted in a manner that does not permit separate agronomic maintenance or harvest of the insured crop.

Irrigated practice. A method of producing a crop by which water is artificially applied during the growing season by appropriate systems and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the Final Guarantee on the irrigated acreage planted to the insured crop.

Late planted. Acreage initially planted to the insured crop after the final planting date.

Late planting period. The period that begins the day after the final planting date for the insured crop and ends 25 days after the final planting date, unless otherwise specified in the Crop Provisions or Special Provisions.

Loss, notice of. The notice required to be given by you not later than 72 hours after certain occurrences or 15 days after the end of the insurance period, whichever is earlier (see section 15.)

MPCI. Multiple peril crop insurance program, a program of insurance offered under the Federal Crop Insurance Act, as amended (7 U.S.C. 1501 *et seq.*) (Act) and implemented in 7 CFR chapter IV.

Negligence. The failure to use such care as a reasonably prudent and careful person would use under similar circumstances.

Non-contiguous. Any two or more tracts of land whose boundaries do not touch at any point, except that land separated only by a public or private right-of-way, waterway, or an irrigation canal will be considered as contiguous.

Palmer Drought Severity Index. A meteorological index calculated by the National Weather Service to indicate prolonged and abnormal moisture deficiency or excess.

Person. An individual, partnership, association, corporation, estate, trust, or other legal entity, and wherever applicable, a State or a political subdivision or agency of a State. ''Person'' does not include the United States Government or any agency thereof.

Planted acreage. Land in which seed, plants, or trees have been placed appropriate for the insured crop and planting method, at the correct depth, into a seedbed that has been properly prepared for the planting method and production practice.

Policy. The agreement between you and us consisting of the accepted application, these Basic Provisions, the Crop Provisions, the Special Provisions, other applicable endorsements or options, the actuarial documents for the insured crop, and the applicable regulations published in 7 CFR chapter IV.

Practical to replant. Our determination, after loss or damage to the insured crop, based on all factors, including, but not limited to moisture availability, marketing window, condition of the field, and time to crop maturity, that replanting the insured crop will allow the crop to attain maturity prior to the calendar date for the end of the insurance period. It will not be considered practical to replant after the end of the late planting period, or the final planting date if no late planting period is applicable, unless replanting is generally occurring in the area. Unavailability of seed or plants will not be considered a valid reason for failure to replant.

Premium billing date. The earliest date upon which you will be billed for insurance coverage based on your acreage report. The premium billing

date is contained in the Special Provisions.

Prevented planting. Failure to plant the insured crop with proper equipment by the final planting date designated in the Special Provisions for the insured crop in the county or by the end of the late planting period. You must have been prevented from planting the insured crop due to an insured cause of loss that also prevented most producers from planting on acreage with similar characteristics in the surrounding area.

Production report. A written record showing your annual production and used by us to determine your yield for insurance purposes (see section 4). The report contains yield information for previous years, including planted acreage and harvested production. This report must be supported by written verifiable records from a warehouseman or buyer of the insured crop, by measurement of farm-stored production, or by other records of production approved by us on an individual case basis.

Replanting. Performing the cultural practices necessary to prepare the land to replace the seed or plants of the damaged or destroyed insured crop and then replacing the seed or plants of the same crop in the insured acreage with the expectation of producing at least the yield used to determine the Final Guarantee.

Representative sample. Portions of the insured crop that must remain in the field for examination and review by our loss adjuster when making a crop appraisal, as specified in the Crop Provisions. In certain instances we may allow you to harvest the crop and require only that samples of the crop residue be left in the field.

Sales closing date. A date contained in the Special Provisions by which an application must be filed. The last date by which you may change your crop insurance coverage for a crop year.

Section (for the purposes of unit structure). A unit of measure under a rectangular survey system describing a tract of land usually one mile square and usually containing approximately 640 acres.

Share. Your percentage of interest in the insured crop as an owner, operator, or tenant at the time insurance attaches. However, only for the purpose of determining the amount of indemnity, your share will not exceed your share at the earlier of the time of loss, or the beginning of harvest.

Special Provisions. The part of the policy that contains specific provisions of insurance for each insured crop that may vary by geographic area.

State. The state shown on your accepted application.

Substantial benefit interest. An interest held by any person of at least 10 percent in the applicant or insured.

Summary of coverage. Our statement to you, based upon your acreage report, specifying the insured crop and the Revenue Guarantee provided by unit.

Tenant. A person who rents land from another person for a share of the crop or a share of the proceeds of the crop (see the definition of ''share'' above.)

Termination date. The calendar date contained in the Crop Provisions upon which your insurance ceases to be in effect because of nonpayment of any amount due us under the policy, including premium.

Timely planted. Planted on or before the final planting date designated in the Special Provisions for the insured crop in the county.

Unit.

(a) Basic unit—A unit established in accordance with section 2(a).

(b) Optional unit—A unit established from basic units in accordance with section 2(b).

(c) Enterprise unit—A unit established from basic units or optional units in accordance with section 2(c).

USDA. United States Department of Agriculture.

Void. When the policy is considered not to have existed for a crop year as a result of concealment, fraud, or misrepresentation (see section 27).

2. Unit Structure

(a) Basic unit—All insurable acreage of the insured crop in the county on the date coverage begins for the crop year:

(1) In which you have 100 percent crop share; or

(2) Which is owned by one person and operated by another person on a share basis. (Example: If, in addition to the land you own, you rent land from five landlords, three on a crop share basis and two on a cash basis, you would be entitled to four units; one for each crop share lease and one that combines the two cash leases and the land you own.) Land rented for cash, a fixed commodity payment, or a consideration other than a share in the insured crop, or proceeds from the sale of the insured crop, on such land will be considered as owned by the lessee (see definition of ''share'' above).

(b) Optional unit—Unless limited by the Crop Provisions or Special Provisions, a basic unit as defined in section 2(a) may be divided into optional units if, for each optional unit:

(1) You meet the following:

(A) You have records, that are acceptable to us, of planted acreage and the production from each optional unit for at least the last crop year used to determine your Final Guarantee;

(B) You must plant the crop in a manner that results in a clear and discernable break in the planting pattern at the boundaries of each optional unit;

(C) All optional units you select for the crop year are identified on the acreage report for that crop year (Units will be determined when the acreage is reported but may be adjusted or combined to reflect the actual unit structure when adjusting a loss. No further unit division may be made after the acreage reporting date for any reason); and

(D) You have records of marketed or stored production from each optional unit maintained in such a manner that permits us to verify the production from each optional unit, or the production from each optional unit is kept separate until loss adjustment is completed by us.

(2) Each optional unit must meet one or more of the following, unless otherwise specified in the Crop Provisions:

(A) Optional units may be established if each optional unit is located in a separate section. In the absence of sections, we may consider parcels of land legally identified by other methods of measure such as Spanish grants, as the equivalents of sections for unit purposes. In areas which have not been surveyed using sections, section equivalents or in areas where boundaries are not readily discernible, each optional unit must be located in a separate FSA farm serial number; and

(B) In addition to, or instead of, establishing optional units by section, section equivalent or FSA farm serial number, optional units may be based on irrigated and non-irrigated acreage. To qualify as separate irrigated and non-irrigated optional units, the non-irrigated acreage may not continue into the irrigated acreage in the same rows or planting pattern. The irrigated acreage may not extend beyond the point at which the irrigation system can deliver the quantity of water needed to produce the yield on which the Final Guarantee is based, except the corners of a field in which a center-pivot irrigation system is used may be considered as irrigated acreage if the corners of a field in which a center-pivot irrigation system is used do not qualify as a separate non-irrigated optional unit. In this case, production from both practices will be used to determine your approved yield.

(3) If you do not comply fully with the provisions in this section, we will combine all optional units that are not in compliance with these provisions

into the basic unit from which they were formed. We will combine the optional units at any time we discover that you have failed to comply with these provisions. If failure to comply with these provisions is determined by us to be inadvertent, and the optional units are combined into a basic unit, that portion of the additional premium paid for the optional units that have been combined will be refunded to you for the units combined.

(c) Enterprise unit—A unit that consists of all insurable acreage of the insured crop in the county in which you have a share on the date coverage begins for the crop year. The following requirements must be met to qualify for an enterprise unit:

(1) The enterprise unit must contain 50 or more acres;

(2) The acreage that comprises the enterprise unit must also qualify:

(i) For two or more basic units of the same insured crop as defined in section 2.(a) that are located in two or more separate sections, section equivalents or FSA farm serial numbers; or

(ii) For two or more optional units of the same insured crop established by separate sections, section equivalents, or FSA farm serial numbers as defined in section 2.(b)(2)(A).

(3) The qualifying basic units or optional units that comprise the enterprise unit must each have insurable acreage of the same crop in the crop year insured;

(4) You must comply with all reporting requirements and regulations for the qualifying basic units or optional units comprising the enterprise unit;

(5) The qualifying basic units or optional units may not be combined into an enterprise unit on any basis other than as described under this section; and

(6) If you do not comply fully with these provisions, and if at any time we discover that you have failed to comply with these provisions, we will assign you the basic unit structure and adjust the premium accordingly.

If you select and qualify for an enterprise unit, you will qualify for a premium discount based on the insured crop and number of acres in the enterprise unit.

(d) Selection of unit structure—Basic, optional, or enterprise units will be determined when the acreage is reported but may be adjusted, combined, or separated to reflect the actual unit structure when adjusting a loss. If you select an enterprise unit structure, you must elect that option in writing by the sales closing date. If you do not qualify for an enterprise unit when the acreage is reported, you will be assigned a basic unit structure.

All applicable unit structures must be stated on the acreage report for each crop year.

3. Life of Policy, Cancellation, and Termination

(a) This is a continuous policy and will remain in effect for each crop year following the acceptance of the original application until canceled by you in accordance with the terms of the policy or terminated by operation of the terms of the policy, or by us.

(b) Your application for insurance must contain all the information required by us to insure the crop. Applications that do not contain all social security numbers and employer identification numbers, as applicable, (except as stated herein) coverage level, price percentage, crop, type, variety, or class, plan of insurance, and any other material information required to insure the crop, are not acceptable. If a person with a substantial beneficial interest in the insured crop refuses to provide a social security number or employer identification number and that person is:

(1) Not on the non-standard classification system list, the amount of coverage available under the policy will be reduced proportionately by that person's share of the crop; or

(2) On the non-standard classification system list, the insurance will not be available to that person and any entity in which the person has a substantial beneficial interest.

(c) After acceptance of the application, you may not cancel this policy for the initial crop year. Thereafter, the policy will continue in force for each succeeding crop year unless canceled or terminated as provided below.

(d) Either you or we may cancel this policy after the initial crop year by providing written notice to the other on or before the cancellation date shown in the Crop Provisions.

(e) If any amount due, including premium, is not paid on or before the termination date for the crop on which an amount is due:

(1) For a policy with the unpaid premium, the policy will terminate effective on the termination date immediately subsequent to the billing date for the crop year;

(2) For a policy with other amounts due, the policy will terminate effective on the termination date immediately after the account becomes delinquent;

(3) Ineligibility will be effective as of the date that the policy was terminated for the crop for which you failed to pay an amount owed and for all other insured crops with coincidental termination dates;

(4) All other policies that are issued by us under the authority of the Act will also terminate as of the next termination date contained in the applicable policy;

(5) If you are ineligible, you may not obtain any crop insurance under the Act until payment is made, you execute an agreement to repay the debt and make the payments in accordance with the agreement, or you file a petition to have your debts discharged in bankruptcy;

(6) If you execute an agreement to repay the debt and fail to timely make any scheduled payment, you will be ineligible for crop insurance effective on the date the payment was due until the debt is paid in full or you file a petition to discharge the debt in bankruptcy and subsequently obtain discharge of the amounts due. Dismissal of the bankruptcy petition before discharge will void all policies in effect retroactive to the date you were originally determined ineligible to participate;

(7) Once the policy is terminated, the policy cannot be reinstated for the current crop year unless the termination was in error;

(8) After you again become eligible for crop insurance, if you want to obtain coverage for your crops, you must reapply on or before the sales closing date for the crop (Since applications for crop insurance cannot be accepted after the sales closing date, if you make any payment after the sales closing date, you cannot apply for insurance until the next crop year); and

(9) If we deduct the amount due us from an indemnity, the date of payment for the purpose of this section will be the date you sign the properly executed claim for indemnity.

(10) For example, if crop A, with a termination date of October 31, 1997, and crop B, with a termination date of March 15, 1998, are insured and you do not pay the premium for crop A by the termination date, you are ineligible for crop insurance as of October 31, 1997, and crop A's policy is terminated on that date. Crop B's policy is terminated as of March 15, 1998. If you enter an agreement to repay the debt on April 25, 1998, you can apply for insurance for crop A by the October 31, 1998, sales closing date and crop B by the March 15, 1999, sales closing date. If you fail to make a scheduled payment on November 1, 1998, you will be ineligible for crop insurance effective on November 1, 1998, and you will not be eligible unless the debt is paid in full or you file a petition to have the debt discharged in bankruptcy and subsequently receive discharge.

(f) If you die, disappear, or are judicially declared incompetent, or if you are an entity other than an individual and such entity is dissolved, the policy will terminate as of the date of death, judicial declaration, or dissolution. If such event occurs after coverage begins for any crop year, the policy will continue in force through the crop year and terminate at the end of the insurance period and any indemnity will be paid to the person or persons determined to be beneficially entitled to the indemnity. The premium will be deducted from the indemnity or collected from the estate. Death of a partner in a partnership will dissolve the partnership unless the partnership agreement provides otherwise. If two or more persons having a joint interest are insured jointly, death of one of the persons will dissolve the joint entity.

(g) We may terminate your policy if no premium is earned for 3 consecutive years.

(h) The cancellation and termination dates are contained in the Crop Provisions.

(i) You are not eligible to participate in the Crop Revenue Coverage program if you have elected the MPCI Catastrophic Risk Protection Endorsement except that if you execute a High Risk Land Exclusion Option for a Crop Revenue Coverage Policy, you may elect to insure the ''high risk land'' under an MPCI Catastrophic Risk Protection Endorsement. If both policies are in force, the acreage of the crop covered under the Crop Revenue Coverage policy and the acreage covered under an MPCI Catastrophic Risk Protection Endorsement will be considered as separate crops for insurance purposes, including the payment of administrative fees.

4. Coverage Level, Price Percentage, and Approved Yield For Determining Final Guarantee and Indemnity

(a) For each crop year, the Final Guarantee, coverage level, and price percentage at which an indemnity will be determined for each unit will be those used to calculate your summary of coverage. The information necessary to determine those factors will be contained in the Special Provisions or in the actuarial documents.

(b) You may select only one coverage level from among those offered by us for each insured crop. By written notice to us, you may change the coverage level for the following crop year not later than the sales closing date for the affected insured crop. If you do not change the coverage level for the succeeding crop year you will be assigned the same coverage level that was in effect the previous crop year.

(c) You may select only one price percentage for each insured crop. You may change the price percentage for the following crop year by giving written notice to us not later than the sales closing date for the insured crop. The price percentage you select applies to both the Base Price and Harvest Price. Since the average daily settlement price may change each year, if you do not select a new price percentage on or before the sales closing date, we will assign a price percentage which bears the same relationship to the price percentage schedule that was in effect for the preceding year. (For example: If you selected a price percentage of 100 for the previous crop year, and you do not select a new price percentage for the current crop year, we will assign a price percentage of 100 for the current crop year.)

(d) This policy is an alternative to the Multiple Peril Crop Insurance program and satisfies the requirements of section 508(b)(7) of the Act.

(e) You must report production to us for the previous crop year by the earlier of the acreage reporting date or 45 days after the cancellation date unless otherwise stated in the Special Provisions.

(1) If you do not provide the required production report, we will assign a yield for the previous crop year. The yield assigned by us will not be more than 75 percent of the yield used by us to determine your coverage for the previous crop year. The production report or assigned yield will be used to compute your Approved Yield for the purpose of determining your Final Guarantee for the current crop year.

(2) If you have filed a claim for any crop year, the documents signed by you which state the amount of production used to complete the claim for indemnity will be the production report for that year unless otherwise specified by FCIC.

(3) Production and acreage for the prior crop year must be reported for each proposed optional unit by the production reporting date. If you do not provide the information stated above, the optional units will be combined into the basic unit.

(f) We may revise your Final Guarantee for any unit, and revise any indemnity paid based on that Final Guarantee, if we find that your production report under paragraph (e) of this section:

(1) Is not supported by written verifiable records in accordance with the definition of production report; or

(2) Fails to accurately report actual production, acreage, or other material information.

5. Contract Changes

(a) We may change the terms of your coverage under this policy from year to year.

(b) Any changes in policy provisions, premium rates, and program dates will be provided by us to your crop insurance agent not later than the contract change date contained in the Crop Provisions. You may view the documents or request copies from your crop insurance agent.

(c) You will be notified, in writing, of changes to the Basic Provisions, Crop Provisions, and Special Provisions not later than 30 days prior to the cancellation date for the insured crop. Acceptance of changes will be conclusively presumed in the absence of notice from you to change or cancel your insurance coverage.

6. Liberalization

If we adopt any revisions that broadens the coverage under this policy subsequent to the contract change date without additional premium, the broadened coverage will apply.

7. Report of Acreage

(a) An annual acreage report must be submitted to us on our form for each insured crop in the county on or before the acreage reporting date contained in the Special Provisions, except as follows:

(1) If you insure multiple crops that have final planting dates on or after August 15 but before December 31, you must submit an acreage report for all such crops on or before the latest applicable acreage reporting date for such crops; and

(2) If you insure multiple crops that have final planting dates on or after December 31 but before August 15, you must submit an acreage report for all such crops on or before the latest applicable acreage reporting date for such crops.

(3) Notwithstanding the provisions in sections 7(a)(1) and (2):

(i) If the Special Provisions designate separate planting periods for a crop, you must submit an acreage report for each planting period on or before the acreage reporting date contained in the Special Provisions for the planting period; and

(ii) If planting of the insured crop continues after the final planting date or you are prevented from planting during the late planting period, the acreage reporting date will be the later of:

(A) The acreage reporting date contained in the Special Provisions;

(B) The date determined in accordance with sections 7(a)(1) or (2); or

(C) Five (5) days after the end of the late planting period for the insured crop, if applicable.

(b) If you do not have a share in an insured crop in the county for the crop year, you must submit an acreage report on or before the acreage reporting date, so indicating.

(c) Your acreage report must include the following information, if applicable:

(1) All acreage of the crop in the county (insurable and not insurable) in which you have a share;

(2) Your share at the time coverage begins;

(3) The practice;

(4) The type; and

(5) The date the insured crop was planted.

(d) Because incorrect reporting on the acreage report may have the effect of changing your premium and any indemnity that may be due, you may not revise this report after the acreage reporting date without our consent.

(e) We may elect to determine all premiums and indemnities based on the information you submit on the acreage report or upon the factual circumstances we determine to have existed.

(f) If you do not submit an acreage report by the acreage reporting date, or if you fail to report all units, we may elect to determine by unit the insurable crop acreage, share, type and practice, or to deny liability on such units. If we deny liability for the unreported units, your share of any production from the unreported units will be allocated, for loss purposes only, as production to count to the reported units in proportion to the liability on each reported unit.

(g) If the information reported by you on the acreage report for share, acreage, practice, type or other material information is inconsistent with the information that is determined to actually exist for a unit and results in:

(1) A lower liability than the actual liability determined, the Final Guarantee on the unit will be reduced to an amount that is consistent with the reported information. In the event that insurable acreage is under-reported for any unit, all production or value from insurable acreage in that unit will be considered production or value to count in determining the indemnity; and

(2) A higher liability than the actual liability determined, the information contained in the acreage report will be revised to be consistent with the correct information. If we discover that you have incorrectly reported any information on the acreage report for any crop year, you may be required to provide documentation in subsequent crop years that substantiates your report of acreage for those crop years, including, but not limited to, an acreage measurement service at your own expense.

(h) Errors in reporting units may be corrected by us at the time of adjusting a loss to reduce our liability and to conform to applicable unit division guidelines.

8. Annual Premium

(a) The annual premium is earned and payable at the time coverage begins. You will be billed for premium due not earlier than the premium billing date specified in the Special Provisions. The premium due, plus any accrued interest, will be considered delinquent if it is not paid on or before the termination date specified in the Crop Provisions.

(b) Any amount you owe us related to any crop insured with us under the authority of the Act will be deducted from any prevented planting payment or indemnity due you for any crop insured with us under the authority of the Act.

(c) The annual premium amount is determined by:

(1) Multiplying the Approved Yield times the coverage level, times the MPCI Base Rate specified in the applicable MPCI actuarial documents, and times the Base Price, as defined in the Commodity Exchange Endorsement.

(2) Multiplying the Approved Yield times the coverage level, times the CRC Rate specified in the actuarial documents, and times the Low Price Factor specified in the actuarial documents;

(3) Multiplying the Approved Yield times the coverage level, times the MPCI Base Rate specified in the applicable MPCI actuarial documents, and times the High Price Factor specified in the actuarial documents;

(4) Adding sections 8(c) (1), (2), and (3);

(5) Multiplying the result of section 8(c)(4) times the acres insured, times your share at the time coverage begins, and as applicable, times any Rate Map Area Adjustment Factor; Rate Class Option Factor; Option Factor; and Catastrophic Yield Adjustment Surcharge specified in the actuarial documents;

(6) Multiplying the Approved Yield times the coverage level, times the MPCI Base Rate specified in the applicable actuarial documents, times the MPCI Market Price Election, times the acres insured, times your share at the time coverage begins, and as applicable, times any Rate Map Area Adjustment Factor; Rate Class Option Factor; Option Factor; and Catastrophic Yield Adjustment Surcharge specified in the actuarial documents, and times the applicable producer subsidy percentage to calculate the appropriate amount of subsidy. The producer subsidy percentage is based upon the coverage level and is contained in the actuarial documents; and

(7) Subtracting section 8(c)(6) from section 8(c)(5) to determine the annual producer paid premium.

(d) The annual premium amount for any applicable High Risk Classification is determined by:

(1) Multiplying the Approved Yield (with yield adjustments specified in the actuarial documents) times the coverage level, times the High Risk Classification Rate specified in the actuarial documents, times the Rate Differential specified in the actuarial documents, and times the Base Price as defined in the Commodity Exchange Endorsement;

(2) Multiplying the result of section 8(d)(1) times the acres insured, times your share at the time coverage begins, times any applicable Rate Class Option Factor; and Option Factor specified in the actuarial documents, and times the High Risk Classification Premium Factor calculated using the High Risk Classification Premium Formula specified in the actuarial documents;

(3) Multiplying the Approved Yield (with yield adjustments specified in the actuarial documents) times the coverage level, times the High Risk Classification Rate specified in the actuarial documents, times the Rate Differential specified in the actuarial documents, times the MPCI Market Price Election, times the acres insured, times your share at the time coverage begins, and as applicable, times any Rate Class Option Factor; and Option Factor specified in the actuarial documents, and times the applicable producer subsidy percentage to calculate the appropriate amount of subsidy. The producer subsidy percentage is based upon the coverage level and is contained in the actuarial documents; and

(4) Subtracting section 8(d)(3) from section 8(d)(2) to determine the annual producer paid premium.

9. Insured Crop

(a) The insured crop will be that shown on your accepted application and as specified in the Crop Provisions or Special Provisions and must be grown on insurable acreage.

(b) A crop which will NOT be insured will include, but will not be limited to, any crop:

(1) If the farming practices carried out are not in accordance with the farming practices for which the premium rates

or Final Guarantee have been established;

(2) Of a type, class or variety established as not adapted to the area or excluded by the policy provisions;

(3) That is a volunteer crop;

(4) That is a second crop following the same crop (insured or not insured) harvested in the same crop year unless specifically permitted by the Crop Provisions or the Special Provisions;

(5) That is planted for the development or production of hybrid seed or for experimental purposes, unless permitted by the Crop Provisions or unless we agree, in writing, to insure such crop; or

(6) That is used solely for wildlife protection or management. If the lease states that specific acreage must remain unharvested, only that acreage is uninsurable. If the lease specifies that a percentage of the crop must be left unharvested, your share will be reduced by such percentage.

10. Insurable Acreage

(a) Acreage planted to the insured crop in which you have a share is insurable except acreage:

(1) That has not been planted and harvested within one of the 3 previous crop years, unless:

(i) Such acreage was not planted:

(A) To comply with any other USDA program;

(B) Because of crop rotation, (*e.g.*, corn, soybean, alfalfa; and the alfalfa remained for 4 years before the acreage was planted to corn again);

(C) Due to an insurable cause of loss that prevented planting; or

(D) Because a perennial crop was grown on the acreage.

(ii) Such acreage was planted but was not harvested due to an insurable cause of loss; or

(iii) The Crop Provisions specifically allow insurance for such acreage.

(2) That has been strip-mined, unless an agricultural commodity other than a cover, hay, or forage crop (except corn silage), has been harvested from the acreage for at least five crop years after the strip-mined land was reclaimed;

(3) On which the insured crop is damaged and it is practical to replant the insured crop, but the insured crop is not replanted;

(4) That is interplanted, unless allowed by the Crop Provisions;

(5) That is otherwise restricted by the Crop Provisions or Special Provisions; or

(6) That is planted in any manner other than as specified in the policy provisions for the crop.

(b) If insurance is provided for an irrigated practice, you must report as irrigated only that acreage for which you have adequate facilities and adequate water, or the reasonable expectation of receiving adequate water at the time coverage begins, to carry out a good irrigation practice. If you knew or had reason to know that your water may be reduced before coverage begins, no reasonable expectation exists.

(c) Notwithstanding the provisions in section 9(b)(1), if acreage is irrigated and we do not provide a premium rate for an irrigated practice, you may either report and insure the irrigated acreage as ''non-irrigated,'' or report the irrigated acreage as not insured.

(d) We may restrict the amount of acreage that we will insure to the amount allowed under any acreage limitation program established by the United States Department of Agriculture if we notify you of that restriction prior to the sales closing date.

11. Share Insured

(a) Insurance will attach only to the share of the person completing the application and will not extend to any other person having a share in the crop unless the application clearly states that:

(1) The insurance is requested for an entity such as a partnership or a joint venture; or

(2) You as landlord will insure your tenant's share, or you as tenant will insure your landlord's share. In this event, you must provide evidence of the other party's approval (lease, power of attorney, etc.). Such evidence will be retained by us. You also must clearly set forth the percentage shares of each person on the acreage report.

(b) We may consider any acreage or interest reported by or for your spouse, child or any member of your household to be included in your share.

(c) Acreage rented for a percentage of the crop, or a lease containing provisions for Both a minimum payment (such as a specified amount of cash, bushels, pounds, etc.,) And a crop share will be considered a crop share lease.

(d) Acreage rented for cash, or a lease containing provisions for Either a minimum payment Or a crop share (such as a 50/50 share or $100.00 per acre, whichever is greater) will be considered a cash lease.

12. Insurance Period

(a) Except for prevented planting coverage (see section 18), coverage begins on each unit or part of a unit at the later of:

(1) The date we accept your application (For the purposes of this paragraph, the date of acceptance is the date that you submit a properly executed application in accordance with section 3);

(2) The date the insured crop is planted; or

(3) The calendar date contained in the Crop Provisions for the beginning of the insurance period.

(b) Coverage ends at the earliest of:

(1) Total destruction of the insured crop on the unit;

(2) Harvest of the unit;

(3) Final adjustment of a loss on a unit;

(4) The calendar date contained in the Crop Provisions for the end of the insurance period;

(5) Abandonment of the crop on the unit; or

(6) As otherwise specified in the Crop Provisions.

13. Causes of Loss

The insurance provided is against only unavoidable loss of revenue directly caused by specific causes of loss contained in the Crop Provisions. All other causes of loss, including but not limited to the following, are Not covered:

(a) Negligence, mismanagement, or wrongdoing by you, any member of your family or household, your tenants, or employees;

(b) Failure to follow recognized good farming practices for the insured crop;

(c) Water contained by any governmental, public, or private dam or reservoir project;

(d) Failure or breakdown of irrigation equipment or facilities; or

(e) Failure to carry out a good irrigation practice for the insured crop, if applicable.

14. Replanting Payment

(a) If allowed by the Crop Provisions, a replanting payment may be made on an insured crop replanted after we have given consent and the acreage replanted is at least the lesser of 20 acres or 20 percent of the insured planted acreage for the unit (as determined on the final planting date or within the late planting period if a late planting period is applicable.)

(b) No replanting payment will be made on acreage:

(1) On which our appraisal establishes that production will exceed the level set by the Crop Provisions;

(2) Initially planted prior to the earliest planting date established by the Special Provisions; or

(3) On which one replanting payment has already been allowed for the crop year.

(c) The replanting payment per acre will be your actual cost for replanting, but will not exceed the amount

determined in accordance with the Crop Provisions.

(d) No replanting payment will be paid if we determine it is not practical to replant.

15. Duties in the Event of Damage or Loss.

Your Duties—

(a) In case of damage to any insured crop you must:

(1) Protect the crop from further damage by providing sufficient care;

(2) Give us notice within 72 hours of your initial discovery of damage (but not later than 15 days after the end of the insurance period), by unit, for each insured crop (we may accept a notice of loss provided later than 72 hours after your initial discovery if we still have the ability to accurately adjust the loss);

(3) Leave representative samples intact for each field of the damaged unit as may be required by the Crop Provisions; and

(4) Cooperate with us in the investigation or settlement of the claim, and, as often as we reasonably require:

(i) Show us the damaged crop;

(ii) Allow us to remove samples of the insured crop; and

(iii) Provide us with records and documents we request and permit us to make copies.

(b) You must obtain consent from us before, and notify us after you:

(1) Destroy any of the insured crop that is not harvested;

(2) Put the insured crop to an alternative use;

(3) Put the acreage to another use; or

(4) Abandon any portion of the insured crop. We will not give consent for any of the actions in sections 15(b)(1) through (4) if it is practical to replant the crop or until we have made an appraisal of the potential production of the crop.

(c) In addition to complying with all other notice requirements, you must submit a claim for indemnity declaring the amount of your loss not later than 60 days after the end of the insurance period. This claim must include all the information we require to settle the claim.

(d) Upon our request, you must:

(1) Provide a complete harvesting and marketing record of each insured crop by unit including separate records showing the same information for production from any acreage not insured; and

(2) Submit to examination under oath.

(e) You must establish the total production or value received for the insured crop on the unit, that any loss of production or value occurred during the insurance period, and that the loss of production or value was directly caused by one or more of the insured causes specified in the Crop Provisions.

(f) All notices required in this section that must be received by us within 72 hours may be made by telephone or in person to your crop insurance agent but must be confirmed in writing within 15 days.

Our Duties—

(a) If you have complied with all the policy provisions, we will pay your loss within 30 days after:

(1) We reach agreement with you;

(2) Completion of arbitration or appeal proceedings; or

(3) The entry of a final judgment by a court of competent jurisdiction.

(b) In the event we are unable to pay your loss within 30 days, we will give you notice of our intentions within the 30-day period.

(c) We may defer the adjustment of a loss until the amount of loss can be accurately determined. We will not pay for additional damage resulting from your failure to provide sufficient care for the crop during the deferral period.

(d) We recognize and apply the loss adjustment procedures established or approved by FCIC.

16. Production Included in Determining Indemnities

(a) The total production to be counted for a unit will include all production determined in accordance with the policy.

(b) The amount of production of any unharvested insured crop may be determined on the basis of our field appraisals conducted after the end of the insurance period.

17. Late Planting

Unless limited by the Crop Provisions, insurance will be provided for acreage planted to the insured crop after the final planting date in accordance with the following:

(a) The Final Guarantee for each acre planted to the insured crop during the late planting period will be reduced by 1 percent per day for each day planted after the final planting date.

(b) Acreage planted after the late planting period (or after the final planting date for crops that do not have a late planting period) may be insured as follows:

(1) The Final Guarantee for each acre planted as specified in this subsection will be determined by multiplying the Final Guarantee that is provided for acreage of the insured crop that is timely planted by the prevented planting coverage level percentage you elected, or that is contained in the Crop Provisions if you did not elect a prevented planting coverage level percentage;

(2) Planting on such acreage must have been prevented by the final planting date (or during the late planting period, if applicable) by an insurable cause occurring within the insurance period for prevented planting coverage;

(3) The Final Guarantee for any acreage on which an insured cause of loss prevents completion of planting, as specified in the definition of ''planted acreage'' (e.g., seed is broadcast on the soil surface but cannot be incorporated), will be determined as indicated in this section; and

(4) All production from acreage as specified in this section will be included as production to count for the unit.

(c) The premium amount for insurable acreage specified in section 17(a) or (b) will be the same as that for timely planted acreage. If the amount of premium you are required to pay (gross premium less our subsidy) for such acreage exceeds the liability, coverage for those acres will not be provided (no premium will be due and no indemnity will be paid).

18. Prevented Planting

(a) Unless limited by the policy provisions, a prevented planting payment may be made to you for eligible acreage if:

(1) You were prevented from planting the insured crop by an insured cause that occurs:

(i) On or after the sales closing date contained in the Special Provisions for the insured crop in the county for the crop year the application for insurance is accepted; or

(ii) For any subsequent crop year, on or after the sales closing date for the previous crop year for the insured crop in the county, provided insurance has been in force continuously since that date. Cancellation for the purpose of transferring the policy to a different insurance provider for the subsequent crop year will not be considered a break in continuity for the purpose of the preceding sentence; and

(2) You include any acreage of the insured crop that was prevented from being planted on your acreage report.

(b) The actuarial documents may contain additional levels of prevented planting coverage that you may purchase for the insured crop:

(1) Such purchase must be made on or before the sales closing date.

(2) If you do not purchase one of those additional levels by the sales closing date, you will receive the prevented

planting coverage specified in the Crop Provisions.

(3) If you have an MPCI Catastrophic Risk Protection Endorsement for any acreage of ''high risk land,'' the additional levels of prevented planting coverage will not be available for that acreage; and

(4) You may not increase your elected or assigned preventing planting coverage level for any crop year if a cause of loss that will or could prevent planting is evident prior to the time you wish to change your prevented planting coverage level.

(c) The premium amount for acreage that is prevented from being planted will be the same as that for timely planted acreage. If the amount of premium you are required to pay (gross premium less our subsidy) for acreage that is prevented from being planted exceeds the liability on such acreage, coverage for those acres will not be provided (no premium will be due and no indemnity will be paid for such acreage).

(d) Drought or failure of the irrigation water supply will not be considered to be an insurable cause of loss for the purposes of prevented planting unless, on the final planting date:

(1) For non-irrigated acreage, the area that is prevented from being planted is classified by the Palmer Drought Severity Index as being in a severe or extreme drought; or

(2) For irrigated acreage, there is not a reasonable probability of having adequate water to carry out an irrigated practice.

(e) The maximum number of acres that may be eligible for a prevented planting payment for any crop will be determined as follows:

(1) The total number of acres eligible for prevented planting coverage for all crops cannot exceed the number of acres of cropland in your farming operation for the crop year, unless you are eligible for prevented planting coverage on double cropped acreage in accordance with section 18(f)(4) or (5). The eligible acres for each insured crop will be determined in accordance with the following table.

Type of crop	Eligible acres if, in any of the 4 most recent crop years, you have produced any crop for which insurance was available	Eligible acres if, in any of the 4 most recent crop years, you have not produced any crop for which insurance was available
(i) The crop is not required to be contracted with a processor to be insured.	(A) The maximum number of acres certified for APH purposes or reported for insurance for the crop in any one of the 4 most recent crop years (not including reported prevented planting acreage that was planted to a substitute crop other than an approved cover crop). The number of acres determined above for a crop may be increased by multiplying it by the ratio of the total cropland acres that you are farming this year (if greater) to the total cropland acres that you farmed in the previous year, provided that you submit proof to us that for the current crop year you have purchased or leased additional land or that acreage will be released from any USDA program which prohibits harvest of a crop. Such acreage must have been purchased, leased, or released from the USDA program, in time to plant it for the current crop year using good farming practices. No cause of loss that will or could prevent planting may be evident at the time the acreage is purchased, leased, or released from the USDA program.	(B) The number of acres specified on your intended acreage report which is submitted to us by the sales closing date for all crops you insure for the crop year and that is accepted by us. The total number of acres listed may not exceed the number of acres of cropland in your farming operation at the time you submit the intended acreage report. The number of acres determined above for a crop may only be increased by multiplying it by the ratio of the total cropland acres that you are farming this year (if greater) to the number of acres listed on your intended acreage report, if you meet the conditions stated in section 18(e)(1)(i)(A).
(ii) The crop must be contracted with a processor to be insured.	(A) The number of acres of the crop specified in the processor contract, if the contract specifies a number of acres contracted for the crop year; or the result of dividing the quantity of production stated in the processor contract by your approved yield, if the processor contract specifies a quantity of production that will be accepted. (For the purposes of establishing the number of prevented planting acres, any reductions applied to the transitional yield for failure to certify acreage and production for four prior years will not be used.).	(B) The number of acres of the crop as determined in section 18(e)(1)(ii)(A).

(2) Any eligible acreage determined in accordance with the table contained in section 18(e)(1) will be reduced by subtracting the number of acres of the crop (insured and uninsured) that are timely and late planted, including acreage specified in section 17(b).

(f) Regardless of the number of eligible acres determined in section 18(e), prevented planting coverage will not be provided for any acreage:

(1) If at least one contiguous block of prevented planting acreage does not constitute at least 20 acres or 20 percent of the insurable crop acreage in the unit, whichever is less. We will assume that any prevented planting acreage within a field that contains planted acreage would have been planted to the same crop that is planted in the field, unless the prevented planting acreage constitutes at least 20 acres or 20 percent of the insurable acreage in the field and you can prove that you have previously produced both crops in the same field in the same crop year;

(2) Used for conservation purposes or intended to be left unplanted under any program administered by the USDA;

(3) For which the actuarial documents do not designate a premium rate;

(4) On which the insured crop is prevented from being planted, if you or any other person receives a prevented planting payment for any crop for the same acreage in the same crop year (excluding share arrangements), unless you have coverage greater than the Catastrophic Risk Protection Plan of Insurance and have records of acreage

and production that are used to determine your approved yield that show the acreage was double-cropped in each of the last 4 years in which the insured crop was grown on the acreage;

(5) On which the insured crop is prevented from being planted, if any crop from which any benefit is derived under any program administered by the USDA is planted and fails, or if any crop is harvested, hayed or grazed on the same acreage in the same crop year (other than a cover crop which may be hayed or grazed after the final planting date for the insured crop), unless you have coverage greater than that applicable to the Catastrophic Risk Protection Plan of Insurance and have records of acreage and production that are used to determine your approved yield that show the acreage was double-cropped in each of the last 4 years in which the insured crop was grown on the acreage;

(6) Of a crop that is prevented from being planted if a cash lease payment is also received for use of the same acreage in the same crop year (not applicable if acreage is leased for haying or grazing only). If you state that you will not be cash renting the acreage and claim a prevented planting payment on the acreage, you could be subject to civil and criminal sanctions if you cash rent the acreage and do not return the prevented planting payment for it;

(7) For which planting history or conservation plans indicate that the acreage would have remained fallow for crop rotation purposes;

(8) That exceeds the number of acres eligible for a prevented planting payment;

(9) That exceeds the number of eligible acres physically available for planting;

(10) For which you cannot provide proof that you had the inputs available to plant and produce a crop with the expectation of at least producing the yield used to determine the Final Guarantee (Evidence that you have previously planted the crop on the unit will be considered adequate proof unless your planting practices or rotational requirements show that the acreage would have remained fallow or been planted to another crop);

(11) Based on an irrigated practice Final Guarantee unless adequate irrigation facilities were in place to carry out an irrigated practice on the acreage prior to the insured cause of loss that prevented you from planting; or

(12) Of a crop type that you did not plant in at least one of the four most recent years. Types for which separate Final Guarantees are available must be included in your APH database in at least one of the most recent four years, or crops that do not require yield certification (crops for which the insurance guarantee is not based on APH) must be reported on your acreage report in at least one of the four most recent crop years except as allowed in section 18(e)(1)(i)(B).

(g) The prevented planting payment for any eligible acreage within a basic or optional unit will be determined by:

(1) Multiplying the Final Guarantee for timely planted acreage of the insured crop by the prevented planting coverage level percentage you elected, or that is contained in the Crop Provisions if you did not elect a prevented planting coverage level percentage;

(2) Multiplying the result of section 18(g)(1) by the number of eligible prevented planting acres in the unit; and

(3) Multiplying the result of section 18(g)(2) by your share.

(h) The prevented planting payment for any eligible acreage within an enterprise unit will be determined by:

(1) Multiplying the Final Guarantee for each basic unit or optional unit within the enterprise unit, for timely planted acreage of the insured crop by the prevented planting coverage level percentage you elected, or that is contained in the Crop Provisions if you did not elect a prevented planting coverage level percentage;

(2) Multiplying the result for each basic or optional unit in section 18(h)(1) by the number of eligible prevented planting acres in each basic unit or optional unit within the enterprise unit;

(3) Multiplying the result of section 18(h)(2) for each basic or optional unit by your share; and

(4) Total the results from section 18(h)(3).

19. Crops As Payment

You must not abandon any crop to us. We will not accept any crop as compensation for payments due us.

20. Arbitration

(a) If you and we fail to agree on any factual determination, the disagreement will be resolved in accordance with the rules of the American Arbitration Association. Failure to agree with any factual determination made by FCIC must be resolved through the FCIC appeal provisions published at 7 CFR part 11.

(b) No award determined by arbitration or appeal can exceed the amount of liability established or which should have been established under the policy.

21. Access to Insured Crop and Records, and Record Retention

(a) We reserve the right to examine the insured crop as often as we reasonably require.

(b) For three years after the end of the crop year, you must retain, and provide upon our request, complete records of the harvesting, storage, shipment, sale, or other disposition of all the insured crop produced on each unit. This requirement also applies to the records used to establish the basis for the production report for each unit. You must also provide upon our request, separate records showing the same information for production from any acreage not insured. We may extend the record retention period beyond three years by notifying you of such extension in writing. Your failure to keep and maintain such records will, at our option, result in:

(1) Cancellation of the policy;

(2) Assignment of production to the units by us;

(3) Combination of the optional units; or

(4) A determination that no indemnity is due.

(c) Any person designated by us will, at any time during the record retention period, have access:

(1) To any records relating to this insurance at any location where such records may be found or maintained; and

(2) To the farm.

(d) By applying for insurance under the authority of the Act or by continuing insurance for which you previously applied, you authorize us, or any person acting for us, to obtain records relating to the insured crop from any person who may have custody of those records including, but not limited to, FSA offices, banks, warehouses, gins, cooperatives, marketing associations, and accountants. You must assist us in obtaining all records which we request from third parties.

22. Other Insurance

(a) Other Like Insurance—You must not obtain any other crop insurance issued under the authority of the Act on your share of the insured crop. If we determine that more than one policy on your share is intentional, you may be subject to the sanctions authorized under this policy, the Act, or any other applicable statute. If we determine that the violation was not intentional, the policy with the earliest date of application will be in force and all other policies will be void. Nothing in this paragraph prevents you from obtaining other insurance not issued under the Act.

(b) Other Insurance Against Fire—If you have other insurance, whether valid or not, against damage to the insured crop by fire during the insurance period, we will be liable for loss due to fire only for the smaller of:

(1) The amount of indemnity determined pursuant to this policy without regard to such other insurance; or

(2) The amount by which the loss from fire is determined to exceed the indemnity paid or payable under such other insurance.

(c) For the purpose of subsection (b) of this section, the amount of loss from fire will be the reduction in revenue of the insured crop on the unit involved determined pursuant to this policy.

23. Conformity to Food Security Act

Although your violation of a number of federal statutes, including the Act, may cause cancellation, termination, or voidance of your insurance contract, you should be specifically aware that your policy will be canceled if you are determined to be ineligible to receive benefits under the Act due to violation of the controlled substance provision (title XVII) of the Food Security Act of 1985 (Pub. L. 99–198) and the regulations promulgated under the Act by USDA. Your insurance policy will be canceled if you are determined, by the appropriate Agency, to be in violation of these provisions. We will recover any and all monies paid to you or received by you during your period of ineligibility, and your premium will be refunded, less a reasonable amount for expenses and handling not to exceed 20 percent of the premium paid or to be paid by you.

24. Amounts Due Us

(a) Interest will accrue at the rate of 1.25 percent simple interest per calendar month, or any portion thereof, on any unpaid amount due us. For the purpose of premium amounts due us, the interest will start to accrue on the first day of the month following the premium billing date specified in the Special Provisions.

(b) For the purpose of any other amounts due us, such as repayment of indemnities found not to have been earned, interest will start to accrue on the date that notice is issued to you for the collection of the unearned amount. Amounts found due under this paragraph will not be charged interest if payment is made within 30 days of issuance of the notice by us. The amount will be considered delinquent if not paid within 30 days of the date the notice is issued by us.

(c) All amounts paid will be applied first to expenses of collection (see subsection (d) of this section) if any, second to the reduction of accrued interest, and then to the reduction of the principal balance.

(d) If we determine that it is necessary to contract with a collection agency or to employ an attorney to assist in collection, you agree to pay all of the expenses of collection.

25. Legal Action Against Us

(a) You may not bring legal action against us unless you have complied with all of the policy provisions.

(b) If you do take legal action against us, you must do so within 12 months of the date of denial of the claim. Suit must be brought in accordance with the provisions of 7 U.S.C. 1508(j).

(c) Your right to recover damages (compensatory, punitive, or other), attorney's fees, or other charges is limited or excluded by this contract or by Federal Regulations.

26. Payment and Interest Limitations

(a) Under no circumstances will we be liable for the payment of damages (compensatory, punitive, or other), attorney's fees, or other charges in connection with any claim for indemnity, whether we approve or disapprove such claim.

(b) We will pay simple interest computed on the net indemnity ultimately found to be due by us or by a final judgment of a court of competent jurisdiction, from and including the 61st day after the date you sign, date, and submit to us the properly completed claim on our form. Interest will be paid only if the reason for our failure to timely pay is NOT due to your failure to provide information or other material necessary for the computation or payment of the indemnity. The interest rate will be that established by the Secretary of the Treasury under section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611) and published in the **Federal Register** semiannually on or about January 1 and July 1 of each year, and may vary with each publication.

27. Concealment, Misrepresentation or Fraud

(a) If you have falsely or fraudulently concealed the fact that you are ineligible to receive benefits under the Act or if you or anyone assisting you has intentionally concealed or misrepresented any material fact relating to this policy:

(1) This policy will be voided; and

(2) You may be subject to remedial sanctions in accordance with 7 CFR part 400, subpart R.

(b) Even though the policy is void, you may still be required to pay 20 percent of the premium due under the policy to offset costs incurred by us in the service of this policy. If previously paid, the balance of the premium will be returned.

(c) Voidance of this policy will result in you having to reimburse all indemnities paid for the crop year in which the voidance was effective.

(d) Voidance will be effective on the first day of the insurance period for the crop year in which the act occurred and will not affect the policy for subsequent crop years unless a violation of this section also occurred in such crop years.

28. Transfer of Coverage and Right to Indemnity

If you transfer any part of your share during the crop year, you may transfer your coverage rights, if the transferee is eligible for crop insurance. We will not be liable for any more than the liability determined in accordance with your policy that existed before the transfer occurred. The transfer of coverage rights must be on our form and will not be effective until approved by us in writing. Both you and the transferee are jointly and severally liable for the payment of the premium. The transferee has all rights and responsibilities under this policy consistent with the transferee's interest.

29. Assignment of Indemnity

You may assign to another party your right to an indemnity for the crop year. The assignment must be on our form and will not be effective until approved in writing by us. The assignee will have the right to submit all loss notices and forms as required by the policy. If you have suffered a loss from an insurable cause and fail to file a claim for indemnity within 60 days after the end of the insurance period, the assignee may submit the claim for indemnity not later than 15 days after the 60-day period has expired. We will honor the terms of the assignment only if we can accurately determine the amount of the claim. However, no action will lie against us for failure to do so.

30. Subrogation (Recovery of Loss From a Third Party)

Since you may be able to recover all or a part of your loss from someone other than us, you must do all you can to preserve this right. If we pay you for your loss, your right to recovery will, at our option, belong to us. If we recover more than we paid you plus our expenses, the excess will be paid to you.

1. Descriptive Headings

The descriptive headings of the various policy provisions are formulated for convenience only and are not intended to affect the construction or meaning of any of the policy provisions.

32. Notices

(a) All notices required to be given by you must be in writing and received by your crop insurance agent within the designated time unless otherwise provided by the notice requirement. Notices required to be given immediately may be by telephone or in person and confirmed in writing. Time of the notice will be determined by the time of our receipt of the written notice. If the date by which you are required to submit a report or notice falls on Saturday, Sunday, or a Federal holiday, or, if your agent's office is, for any reason, not open for business on the date you are required to submit such notice or report, such notice or report must be submitted on the next business day.

(b) All notices and communications required to be sent by us to you will be mailed to the address contained in your records located with your crop insurance agent. Notice sent to such address will be conclusively presumed to have been received by you. You should advise us immediately of any change of address.

Crop Revenue Coverage

Wheat Crop Provisions

This is a risk management program. This risk management tool will be reinsured under the authority provided by section 508(h) of the Federal Crop Insurance Act. If a conflict exists among the policy provisions, the order of priority is as follows: (1) the Special Provisions; (2) the Commodity Exchange Endorsement; (3) these Crop Provisions; and (4) the Basic Provisions with (1) controlling (2), etc.

1. Definitions

Adequate Stand. A population of live plants per unit of acreage which will produce at least the yield used to establish your Final Guarantee.

Average Daily Settlement Price. Refer to the definition contained in the Commodity Exchange Endorsement—Wheat.

Calculated Revenue. The production to count multiplied by the Harvest Price.

Harvest. Combining or threshing the insured crop for grain or cutting for hay or silage on any acreage. A crop which is swathed prior to combining is not considered harvested.

Initially planted. The first occurrence of planting the insured crop on insurable acreage for the crop year.

Latest final planting date.

(a) The final planting date for spring-planted acreage in all counties for which the Special Provisions designate a final planting date for spring-planted acreage only;

(b) The final planting date for fall-planted acreage in all counties for which the Special Provisions designate a final planting date for fall-planted acreage only; or

(c) The final planting date for spring-planted acreage in all counties for which the Special Provisions designate final planting dates for both spring-planted and fall-planted acreage.

Local market price. The cash grain price per bushel for the U.S. No. 2 grade of the insured crop offered by buyers in the area in which you normally market the insured crop. The local market price will reflect the maximum limits of quality deficiencies allowable for the U.S. No. 2 grade of the insured crop. Factors not associated with grading under the Official United States Standards for Grain, including but not limited to protein, oil or moisture content, or milling quality will not be considered.

Nurse crop (companion crop). A crop planted into the same acreage as another crop, that is intended to be harvested separately, and which is planted to improve growing conditions for the crop with which it is grown.

Planted acreage. In addition to the definition contained in the Basic Provisions, land on which seed is initially spread onto the soil surface by any method and subsequently is mechanically incorporated into the soil in a timely manner and at the proper depth, will be considered planted.

Prevented planting. In lieu of the definition contained in the Basic Provisions, failure to plant the insured crop with proper equipment by the latest final planting date designated in the Special Provisions for the insured crop in the county or by the end of the late planting period. You must have been prevented from planting the insured crop due to an insured cause of loss that also prevented most producers from planting on acreage with similar characteristics in the surrounding area.

Prevented planting guarantee. The Prevented Planting Guarantee for such acreage will be that percentage of the Final Guarantee for timely planted acres as set forth in section 13(b).

Sales closing date. In lieu of the definitions contained in the Basic Provisions, a date contained in the Special Provisions by which an application must be filed and by which you may change your crop insurance coverage for a crop year. If the Special Provisions provide a sales closing date for both winter and spring types of the insured crop and you plant any insurable acreage of the winter type, you may not change your crop insurance coverage after the sales closing date for the winter type.

Swathed. Severance of the stem and grain head from the ground without removal of the seed from the head and placing into a windrow.

Wheat. Wheat for grain only.

2. Unit Structure

In addition to the requirements of section 2(b) of the Basic Provisions, for wheat only, in addition to, or instead of, establishing optional units by section, section equivalent or FSA farm serial number and by irrigated and non-irrigated practices, optional units may be established if each optional unit contains only initially planted winter wheat or only initially planted spring wheat. Optional units may be established in this manner only in counties having both winter and spring type final planting dates as designated in the Special Provisions.

3. Coverage Level and Price Percentage

In addition to the requirements of section 4 of the Basic Provisions all the insurable acreage of each crop in the county insured as grain under this policy will have the same coverage level and price percentage elections.

4. Contract Changes

In accordance with section 5 in the Basic Provisions, the contract change date is December 31 preceding the cancellation date for counties with a March 15 cancellation date and June 30 preceding the cancellation date for all other counties.

5. Cancellation and Termination Dates

The cancellation and termination dates are:

State and county	Cancellation date	Termination date
All Colorado counties except Alamosa, Archuleta, Conejos, Costilla, Custer, Delta, Dolores, Eagle, Garfield, Grand, La Plata, Mesa, Moffat, Montezuma, Montrose, Ouray, Pitkin, Rio Blanco, Rio Grande, Routt, Saguache, and San Miguel Counties; all Iowa Counties except Plymouth, Cherokee, Buena Vista, Pocahontas, Humbolt, Wright, Franklin, Butler, Black Hawk, Buchanan, Delaware, and Dubuque Counties and all Iowa counties north thereof; all Wisconsin Counties except Trempealeau, Jackson, Wood, Portage, Waupaca, Outagamie, Brown, and Kewaunee Counties and all Wisconsin counties north and west thereof; and all other states except Alaska, Arizona, California, Connecticut, Idaho, Maine, Massachusetts, Minnesota, Montana, Nevada, New Hampshire, New York, North Dakota, Oregon, Rhode Island, South Dakota, Utah, Vermont, Washington, and Wyoming.	September 30	September 30.
Archuleta, Custer, Delta, Dolores, Eagle, Garfield, Grand, La Plata, Mesa, Moffat, Montezuma, Montrose, Ouray, Pitkin, Rio Blanco, Routt, and San Miguel Counties, Colorado; Connecticut; Idaho; Plymouth, Cherokee, Buena Vista, Pocahontas, Humboldt, Wright, Franklin, Butler, Black Hawk, Buchanan, Delaware, and Dubuque Counties, Iowa, and all Iowa counties north thereof; Massachusetts; all Montana counties except Daniels, Roosevelt, Sheridan, and Valley Counties; New York; Oregon; Rhode Island; all South Dakota counties except Harding, Perkins, Corson, Walworth, Edmonds, Faulk, Spink, Beadle, Jerauld, Aurora, Douglas, and Bon Homme Counties and all South Dakota counties north and east thereof; Washington; and all Wyoming counties except Big Horn, Fremont, Hot Springs, Park, and Washakie Counties.	September 30	November 30.
Matanuska-Susitna County, Alaska; Arizona; California; Nevada; and Utah	October 31	November 30.
All Alaska Counties except Matanuska-Susitna County; Alamosa, Conejos, Costilla, Rio Grande, and Saguache Counties, Colorado; Maine; Minnesota; Daniels, Roosevelt, Sheridan, and Valley Counties, Montana; New Hampshire; North Dakota; Harding, Perkins, Corson, Walworth, Edmunds, Faulk, Spink, Beadle, Jerauld, Aurora, Douglas, and Bon Homme Counties, South Dakota, and all South Dakota counties north and east thereof; Vermont; Trempealeau, Jackson, Wood, Portage, Waupaca, Outagamie, Brown, and Kewaunee Counties, Wisconsin, and all Wisconsin counties north and west thereof; Big Horn, Fremont, Hot Springs, Park, and Washakie Counties, Wyoming.	March 15	March 15.

6. Insured Crop

(a) In accordance with section 9 of the Basic Provisions, the crop insured will be wheat you elect to insure, that is grown in the county on insurable acreage, and for which premium rates are provided by the actuarial documents:

(1) In which you have a share;

(2) That is planted for harvest as grain;

(3) That is not:

(i) Interplanted with another crop;

(ii) Planted into an established grass or legume; or

(iii) Planted as a nurse crop, unless planted as a nurse crop for new forage seeding, but only if seeded at a normal rate and intended for harvest as grain.

(b) If you anticipate destroying any acreage prior to harvest you:

(1) May report all planted acreage when you report your acreage for the crop year and specify any acreage to be destroyed as uninsurable acreage. (By doing so, no coverage will be considered to have attached on the specified acreage and no premium will be due for such acreage. If you do not destroy such acreage, you will be subject to the under-reporting provisions contained in section 7 of the Basic Provisions); or

(2) If the actuarial documents provide a reduced premium rate for acreage destroyed by a date designated in the Special Provisions, you may report all planted acreage as insurable when you report your acreage for the crop year. Premium will be due on all the acreage. Your premium amount will be reduced by the amount shown on the actuarial documents for any acreage you destroy prior to a date designated in the Special Provisions if you do not claim an indemnity on such acreage. In accordance with section 15(b) of the Basic Provisions, you must obtain our consent before and give us notice after you destroy any of the insured crop so your acreage report can be revised to make you eligible for this reduction in premium.

(c) In counties for which the Wheat Special Provisions designate both fall and spring final planting dates, you may elect a winter wheat coverage endorsement. This endorsement provides two options for alternative coverage for wheat that is damaged between the fall final planting date and the spring final planting date. Coverage under the endorsement will be effective only if you designate the coverage option you elect by executing the endorsement by the sales closing date for winter wheat in the county.

7. Insurance Period

In lieu of the requirements under section 12 of the Basic Provisions, and subject to any provisions provided by the Winter Wheat Coverage Endorsement if you have elected such endorsement, the insurance period is as follows:

(a) Insurance attaches on each unit or part thereof on the later of the date we accept your application or the date the insured crop is planted subject to the following limitations:

(1) The acreage must be planted on or before the final planting date designated in the Special Provisions for the type (winter or spring) except as allowed in section 12 of these Crop Provisions and section 17 of the Basic Provisions.

(2) Whenever the Special Provisions designate only a fall final planting date, any acreage of winter wheat damaged before such final planting date, to the extent that producers in the area would normally not further care for the crop, must be replanted to a winter type of the insured crop unless we agree that replanting is not practical.

(3) Whenever the Special Provisions designate both fall and spring final planting dates, winter wheat planted on or before the fall final planting date which is damaged:

(i) Before the fall planting final planting date, to the extent that producers in the area would normally not further care for the crop, must be replanted to a winter type of the insured crop unless we agree that replanting is not practical.

(ii) On or after the fall final planting date, but before the spring final planting date, to the extent that producers in the area would normally not further care for the crop, must be replanted to an appropriate variety of the insured crop unless we agree that replanting is not practical.

If you have elected coverage under one of the available Winter Wheat Coverage Endorsement Options available in the county, the insurance period for wheat will be in accordance with the selected option.

(4) Whenever the Special Provisions designate only a spring final planting date:

(i) Any acreage of spring wheat damaged before such final planting date, to the extent that producers in the area would normally not further care for the crop, must be replanted to a spring type of the insured crop unless we agree that replanting is not practical; and

(ii) Whenever the Special Provisions designate only a spring final planting date, any acreage of fall planted wheat is not insured unless you request such coverage and we agree in writing that the acreage has an adequate stand in the spring to produce the yield used to determine your Final Guarantee. Insurance will then attach to acreage having an adequate stand on the earlier of the spring final planting date or the date we agree to accept the acreage for insurance. If such fall planted acreage is not to be insured it must be recorded on the acreage report as an uninsured fall planted crop.

(b) Insurance ends on each unit at the earliest of:

(1) Total destruction of the insured crop on the unit;

(2) Harvest of the unit;

(3) Final adjustment of a loss on the unit;

(4) September 25 following planting in Alaska, or October 31 of the calendar year in which the crop is normally harvested in all other states; or

(5) Abandonment of the crop on the unit.

8. Causes of Loss

In addition to the provisions under section 13 of the Basic Provisions, any loss covered by this policy must occur within the insurance period. The specific causes of loss for wheat are:

(a) Adverse weather conditions;

(b) Fire;

(c) Insects, but not damage allowed because of insufficient or improper application of pest control measures;

(d) Plant disease, but not damage allowed because of insufficient or improper application of disease control measures;

(e) Wildlife;

(f) Earthquake;

(g) Volcanic eruption;

(h) Failure of the irrigation water supply; or

(i) A Harvest Price that is less than the Base Price.

9. Replanting Payments

(a) A replant payment for wheat only is allowed as follows:

(1) You comply with all requirements regarding replanting payments contained under section 14 of the Basic Provisions and in any winter wheat coverage endorsement for which you are eligible and which you have elected;

(2) The wheat must be damaged by an insurable cause of loss to the extent that the remaining stand will not produce at least 90 percent of the Minimum Guarantee for the acreage;

(3) The acreage must have been initially planted to spring wheat in those counties with only a spring final planting date;

(4) The damage must occur after the fall final planting date in those counties where both a fall and spring final planting date are designated;

(5) Replanting must take place not later than 25 days after the spring final planting date; and

(6) The replanted wheat must be seeded at a rate that is normal for initially planted wheat (if new seed is planted at a reduced seeding rate into a partially damaged stand of wheat, the acreage will not be eligible for a replanting payment.)

(b) No replanting payment will be made for acreage initially planted to winter wheat in any county for which the Special Provisions contain only a fall final planting date.

(c) In accordance with section 14(c) of the Basic Provisions, the maximum amount of the replanting payment per acre will be the lesser of 20 percent of the Minimum Guarantee or 3 bushels, times the Base Price times your share.

(d) When wheat is replanted using a practice that is uninsurable for an original planting, the liability for the unit will be reduced by the amount of the replanting payment. The premium amount will not be reduced.

10. Duties In The Event of Damage or Loss

In addition to your duties under section 15 of the Basic Provisions, if you initially discover damage to any insured crop within 15 days of, or during harvest, you must leave representative samples of the unharvested crop for our inspection. The samples must be at least 10 feet wide and the entire length of each field in the unit, and must not be harvested or destroyed until the earlier of our inspection or 15 days after harvest of the balance of the unit is completed.

11. Settlement of Claim

(a) We will determine your loss on a unit basis. In the event you are unable to provide separate acceptable production records:

(1) For any optional unit, we will combine all optional units for which acceptable records of production were not provided; or

(2) For any basic unit, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for each unit.

(b) In the event of loss or damage covered by this policy, we will settle your claim on any insured basic or optional unit of wheat by:

(1) Multiplying the insured acreage of the crop by the Final Guarantee;

(2) Subtracting the Calculated Revenue from the result of section 11(b)(1); and

(3) Multiplying the result of 11(b)(2) by your share.

If the result of section 11(b)(3) is greater than zero, an indemnity will be paid. If the result of section 11(b)(3) is less than zero, no indemnity will be due.

(c) In the event of loss or damage covered by this policy, we will settle your claim on any insured enterprise unit by:

(1) Multiplying the insured acreage of the crop by the Final Guarantee for each basic unit or optional unit within the enterprise unit;

(2) For each basic unit or optional unit in 11(c)(1), compute the Calculated Revenue;

(3) Subtract each result in section 11(c)(2) from the respective result of section 11(c)(1);

(4) Multiplying each result of section 11(c)(3) by your share; and

(5) Total the results of section 11(c)(4).

If the result of section 11(c)(5) is greater than zero, an indemnity will be paid. If the result of section 11(c)(5) is less than zero, no indemnity will be due.

(d) The total production (bushels) to count from all insurable acreage on the unit will include:

(1) All appraised production as follows:

(i) Not less than that amount of production that when multiplied by the Harvest Price equals the Final Guarantee for acreage:

(A) Which is abandoned;

(B) Put to another use without our consent;

(C) Damaged solely by uninsured causes; or

(D) For which you fail to provide records of production that are acceptable to us;

(ii) Production lost due to uninsured causes;

(iii) Unharvested production (mature unharvested production may be adjusted for quality deficiencies and excess moisture in accordance with section 11(d));

(iv) Potential production on insured acreage you intend to put to another use

or abandon and no longer care for, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end when you put the acreage to another use or abandon the crop. If:

(A) Agreement on the appraised amount of production is not reached, you may elect to continue to care for the crop, or we will give you consent to put the acreage to another use if you agree to leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us. The amount of production to count for such acreage will be based on the harvested production or appraisals from the samples at the time harvest should have occurred. If you do not leave the required samples intact, or you fail to provide sufficient care for the samples, our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count.

(B) You elect to continue to care for the crop, we will determine the amount of production to count for the acreage using the harvested production, or our reappraisal if additional damage occurs and the crop is not harvested.

(2) All harvested production from the insurable acreage.

(e) Mature wheat production may be adjusted for excess moisture and quality deficiencies.

(1) Production will be reduced by .12 percent for each .1 percentage point of moisture in excess of 13.5 percent for wheat. We may obtain samples of the production to determine the moisture content.

(2) Production will be eligible for quality adjustment if:

(i) Deficiencies in quality, in accordance with the Official United States Standards for Grain, result in wheat not meeting the grade requirements for U.S. No. 4 (grades U.S. No. 5 or worse) because of test weight, total damaged kernels (excluding heat damage), shrunken or broken kernels, or defects (excluding foreign material and heat damage), or grading garlicky, light smutty, smutty or ergoty;

(ii) Substances or conditions are present, including mycotoxins, that are identified by the Food and Drug Administration or other public health organizations of the United States as being injurious to human or animal health.

(3) Quality will be a factor in determining your loss only if:

(i) The deficiencies, substances, or conditions resulted from a cause of loss against which insurance is specified in section 8;

(ii) All determinations of these deficiencies, substances, or conditions are made using samples of the production obtained by us or by a disinterested third party approved by us; and

(iii) The samples are analyzed by a grain grader licensed under the authority of the United States Grain Standards Act or the United States Warehouse Act with regard to deficiencies in quality, or by a laboratory approved by us with regard to substances or conditions injurious to human or animal health. Test weight for quality adjustment purposes may be determined by our loss adjuster.

(4) Production of wheat that is eligible for quality adjustment, as specified in sections 11(d)(2) and 11(d)(3), will be reduced by the quality adjustment factor contained in the Special Provisions.

(f) Any production harvested from plants growing in the insured crop may be counted as production of the insured crop on a weight basis.

12. Late Planting

A late planting period is not applicable to fall-planted wheat. Any winter wheat that is planted after the fall final planting date in counties for which the Special Provisions also contain a final planting date for spring wheat will not be insured. Any winter wheat that is planted after the fall final planting date in counties for which the Special Provisions contain only a fall final planting date will not be insured unless you were prevented from planting the winter wheat by the fall final planting date. Such acreage will be insurable, and the Final Guarantee and premium for the acreage will be determined in accordance with sections 17(b) and (c) of the Basic Provisions.

13. Prevented Planting

(a) In addition to the provisions contained in section 18 of the Basic Provisions, in counties for which the Special Provisions designate a spring final planting date, your prevented planting Final Guarantee will be based on your approved yield for spring-planted acreage of the insured crop.

(b) Your prevented planting coverage will be 60 percent of your Final Guarantee for timely planted acreage. You may increase your preventing planting coverage to a level specified in the actuarial documents by paying an additional premium.

Crop Revenue Coverage

Winter Wheat Coverage Endorsement

Crop Revenue Coverage

Optional Endorsement

Winter Wheat Coverage Endorsement

(This is a Continuous Endorsement)

Insured's Name and Address

_____

_____

_____

Town State Zip Code

Agency Name and Address

_____

_____

_____

Town State Zip Code

Policy No: _____

Crop Year Effective: _____

OPTION SELECTED (Check One and sign below) A____B____

(a) In return for payment of the additional premium designated in the County Actuarial Table, this endorsement is attached to and made a part of your Crop Revenue Coverage policy provisions subject to the terms and conditions described herein.

(b) This endorsement is available only in counties for which the Special Provisions designate both a fall final planting date and a spring final planting date.

(c) This endorsement modifies the provisions of sections 7 and 11 of the Crop Revenue Coverage Wheat Crop Provisions (Wheat Crop Provisions).

(1) You must have a Crop Revenue Coverage policy in force and elect to insure wheat under that policy.

(2) You may select either Option A or Option B. Failure to select either Option A or Option B means that you have rejected both Options and this endorsement would be void.

(3) Insurance Period. Coverage under this endorsement begins on the later of the date we accept your application for coverage or on the fall final planting date designated in the Special Provisions. Coverage ends on the spring final planting date designated in the Special Provisions.

(4) The provisions under section 14 of the Crop Revenue Coverage Basic Provisions (Basic Provisions) are amended to require that all notices of damage must be provided to us by the spring final planting date designated in the Special Provisions.

Option A

(30 Percent Coverage and Acreage Release)

Whenever any winter wheat is damaged during the insurance period (see section (c)(3) above), and at least 20 acres or 20 percent of the acreage in the

unit, whichever is less, does not have an adequate stand to produce at least 90 percent of the Minimum Guarantee for the acreage (to calculate the actual percentage, multiply the appraised production determined in accordance with section 11(c)(1) of the applicable Wheat Crop Provisions times the Base Price and then divide that quantity by the Minimum Guarantee), you may, at your option, take one of the following actions:

(a) Destroy the remaining crop on such acreage. By doing so, you agree to accept an amount of Calculated Revenue to count against the unit Final Guarantee equal to 70 percent of the Final Guarantee for the damaged acreage, or an appraisal determined in accordance with section 11(c)(1) of the applicable Wheat Crop Provisions if such an appraisal results in a greater amount of Calculated Revenue. This amount will be considered Calculated Revenue in determining any final indemnity on the unit and will be used to settle your claim as described in the provisions under section 11 (Settlement of Claim) of the applicable Wheat Crop Provisions. You may use such acreage for any purpose, including planting and separately insuring any other crop. If you elect to utilize such acreage for the production of spring wheat, you must:

(1) Plant the spring wheat in a manner which results in a clear and discernible break in the planting pattern at the boundary between it and any remaining winter wheat; and

(2) Store or market the production from such acreage in such a manner which permits us to verify the amount of spring wheat production separately from any winter wheat production. In the event you are unable to provide records of production that are acceptable to us, the spring wheat acreage will be considered to be a part of the original winter wheat unit. If you elected to insure the spring wheat acreage as a separate optional unit, any premium amount for such acreage will be considered earned and payable to us.

(b) Continue to care for the damaged crop. By doing so, coverage will continue under the terms of the Basic Provisions, applicable Wheat Crop Provisions, and this Option.

(c) Replant the acreage to an appropriate variety of wheat, it if is practical, and receive a replanting payment in accordance with the terms of section 9 (Replanting Payments) of the applicable Wheat Crop Provisions. By doing so, coverage will continue under the terms of the Basic Provisions, the applicable Wheat Crop Provisions, and this Option, and the Final Guarantee for winter wheat will remain in effect.

Agent's Signature Date

Option B

(With Full Winter Damage Coverage)

Whenever any winter wheat is damaged during the insurance period (see section (c)(3) above), and at least 20 acres or 20 percent of the acreage in the unit, whichever is less does not have an adequate stand to produce at least 90 percent of the Minimum Guarantee for the acreage (to calculate the actual percentage, multiply the appraised production determined in accordance with section 11(c)(1) of the applicable Wheat Crop Provisions times the Base Price and then divide that quantity by the Minimum Guarantee), you may, at your option, take one of the following actions:

(a) Continue to care for the damaged crop. By doing so, coverage will continue under the terms of the Basic Provisions, the applicable Wheat Crop Provisions, and this Option.

(b) Replant the acreage to an appropriate variety of wheat, if it is practical, and receive a replanting payment in accordance with the terms of section 9 (Replanting Payments) of the applicable Wheat Crop Provisions. By doing so, coverage will continue under the terms of the Basic Provisions, the applicable Wheat Crop Provisions, and this Option, and the Final Guarantee for winter wheat will remain in effect.

(c) Accept our appraisal of the crop on the damaged acreage as Calculated Revenue to count against the Final Guarantee for the damaged acreage, destroy the remaining crop on such acreage, and be eligible for any indemnity due under the terms of the Basic Provisions and the applicable Wheat Crop Provisions. The appraisal will be considered Calculated Revenue in determining any final indemnity on the unit and will be used to settle your claim as described in the provisions of section 11 (Settlement of Claim) of the applicable Wheat Crop Provisions. You may use such acreage for any purpose, including planting and separately insuring any other crop. If you elect to utilize such acreage for the production of spring wheat, you must:

(1) Plant the spring wheat in a manner which results in a clear and discernible break in the planting pattern at the boundary between it and any remaining winter wheat; and

(2) Store or market the production from such acreage in a manner which permits us to verify the amount of spring wheat production separately from any winter wheat production.

In the event you are unable to provide records of production that are acceptable to us, the spring wheat acreage will be considered to be a part of the original winter wheat unit. If you elected to insure the spring wheat acreage as a separate optional unit, any premium amount for such acreage will be considered earned and payable to us.

Agent's Signature Date

Crop Revenue Coverage
Commodity Exchange Endorsement

Crop Revenue Coverage

Mandatory Actuarial Document Endorsement

Commodity Exchange Endorsement—Wheat

(This is a Continuous Endorsement)

If a conflict exists among the policy provisions, the order of priority is as follows: (1) the Special Provisions; (2) this Commodity Exchange Endorsement; (3) the Crop Provisions; and (4) the Basic Provisions, with (1) controlling (2), etc.

How this endorsement affects your coverage:

(I) This endorsement is attached to and made a part of your Crop Revenue Coverage (CRC) Wheat crop policy provisions and actuarial documents, subject to the terms and conditions described herein.

(II) This endorsement specifies how, where, and when commodity prices for your CRC Wheat policy are determined.

(III) This endorsement defines the Average Daily Settlement Price, as used in the Base Price and Harvest Price, as—The average calculated by summing all the daily settlement prices for the contract specified in the applicable Base Price and/or Harvest Price definition (established on full active trading days), during the month specified in the applicable Base Price and/or Harvest Price definition, and dividing that sum by the total number of days included in the sum. The average must include at least fifteen (15) days and each day included in the average must be a full active trading day for the contract specified in the applicable Base Price and/or Harvest Price definition. A full active trading day is any day on which there are fifty (50) or more open interest contracts of the contract specified in the Base Price and/or Harvest Price definition. If there are less than fifteen (15) full active trading days for the contract specified in the applicable Base Price and/or Harvest Price definition, during the month specified in the applicable Base Price and/or Harvest

Price definition, then additional daily settlement prices, established on full active trading days, for the contract immediately prior to the contract specified in the applicable Base Price and/or Harvest Price definition, during the month specified in the applicable Base Price and/or Harvest Price definition, will be used until there are fifteen (15) prices from fifteen (15) full active trading days included in the average.

(IV) This endorsement defines the Base Price and Harvest Price as shown in Section 1 of the Crop Revenue Coverage Basic Provisions by wheat type and state as follows:

Winter Wheat—(Insured as Winter Wheat), Chicago Board of Trade (CBOT)

Illinois, Indiana, Michigan, Ohio, and Wisconsin

Base Price (CBOT)—The August 15 to September 14 pre-harvest year's average daily settlement price for the harvest year's CBOT July soft red winter wheat futures contract (rounded to the nearest whole cent) multiplied times the selected Price Percentage and rounded to the nearest whole cent. The available Price Percentages and subsequent Base Price will be released as an Actuarial Document Addendum (Special Provisions) by September 20 of the pre-harvest year.

Harvest Price (CBOT)—The July 15 to August 14 harvest year's average daily settlement price for the harvest year's CBOT September soft red winter wheat futures contract (rounded to the nearest whole cent) multiplied times the selected Price Percentage and rounded to the nearest whole cent. The Harvest Price cannot be less than the Base Price minus two dollars ($2.00), or greater than the Base Price plus two dollars ($2.00). The Price Percentage used to calculate the Harvest Price is equal to the selected Price Percentage used to calculate the Base Price. The Harvest Price will be released as an Actuarial Document Addendum (Special Provisions) by August 20 of the harvest year.

Winter Wheat—(Insured as Winter Wheat), (CBOT)

Alabama, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia

Base Price (CBOT)—The August 15 to September 14 pre-harvest year's average daily settlement price for the harvest year's CBOT July soft red winter wheat futures contract (rounded to the nearest whole cent) multiplied times the selected Price Percentage and rounded to the nearest whole cent. The available Price Percentages and subsequent Base Price will be released as an Actuarial Document Addendum (Special Provisions) by September 20 of the pre-harvest year.

Harvest Price (CBOT)—The June harvest year's average daily settlement price for the harvest year's CBOT July soft red winter wheat futures contract (rounded to the nearest whole cent) multiplied times the selected Price Percentage and rounded to the nearest whole cent. The Harvest Price cannot be less than the Base Price minus two dollars ($2.00), or greater than the Base Price plus two dollars ($2.00). The Price Percentage used to calculate the Harvest Price is equal to the selected Price Percentage used to calculate the Base Price. The Harvest Price will be released as an Actuarial Document Addendum (Special Provisions) by July 10 of the harvest year.

Winter Wheat—(Insured as Winter Wheat), Kansas City Board of Trade (KCBOT)

Iowa, Montana, Nebraska, South Dakota, and Wyoming

Base Price (KCBOT)—The August 15 to September 14 pre-harvest year's average daily settlement price for the harvest year's KCBOT July hard red winter wheat futures contract (rounded to the nearest whole cent) multiplied times the selected Price Percentage and rounded to the nearest whole cent. The available Price Percentages and subsequent Base Price will be released as an Actuarial Document Addendum (Special Provisions) by September 20 of the pre-harvest year.

Harvest Price (KCBOT)—The July 15 to August 14 harvest year's average daily settlement price for the harvest year's KCBOT September hard red winter wheat futures contract (rounded to the nearest whole cent) multiplied times the selected Price Percentage and rounded to the nearest whole cent. The Harvest Price cannot be less than the Base Price minus two dollars ($2.00), or greater than the Base Price plus two dollars ($2.00). The Price Percentage used to calculate the Harvest Price is equal to the selected Price Percentage used to calculate the Base Price. The Harvest Price will be released as an Actuarial Document Addendum (Special Provisions) by August 20 of the harvest year.

Winter Wheat—(Insured as Winter Wheat), (KCBOT)

Arizona, Arkansas, Colorado, Kansas, Missouri, New Mexico, Oklahoma, and Texas

Base Price (KCBOT)—The August 15 to September 14 pre-harvest year's average daily settlement price for the harvest year's KCBOT July hard red winter wheat futures contract (rounded to the nearest whole cent) multiplied times the selected Price Percentage and rounded to the nearest whole cent. The available Price Percentages and subsequent Base Price will be released as an Actuarial Document Addendum (Special Provisions) by September 20 of the pre-harvest year.

Harvest Price (KCBOT)—The June harvest year's average daily settlement price for the harvest year's KCBOT July hard red winter wheat futures contract (rounded to the nearest whole cent) multiplied times the selected Price Percentage and rounded to the nearest whole cent. The Harvest Price cannot be less than the Base Price minus two dollars ($2.00), or greater than the Base Price plus two dollars ($2.00). The Price Percentage used to calculate the Harvest Price is equal to the selected Price Percentage used to calculate the Base Price. The Harvest Price will be released as an Actuarial Document Addendum (Special Provisions) by July 10 of the harvest year.

Spring Wheat—(Insured as Spring Wheat in Counties With a 3/15 Cancellation Date), Minneapolis Grain Exchange (MGE)

Colorado, Iowa, Minnesota, Montana, North Dakota, South Dakota, Wisconsin, and Wyoming

Base Price (MGE)—The February harvest year's average daily settlement price for the harvest year's MGE September hard red spring wheat futures contract (rounded to the nearest whole cent) multiplied times the selected Price Percentage and rounded to the nearest whole cent. The available Price Percentages and subsequent Base Price will be released as an Actuarial Document Addendum (Special Provisions) by March 10 of the harvest year.

Harvest Price (MGE)—The August harvest year's average daily settlement price for the harvest year's MGE September hard red spring wheat futures contract (rounded to the nearest whole cent) multiplied times the selected Price Percentage and rounded to the nearest whole cent. The Harvest Price cannot be less than the Base Price minus two dollars ($2.00), or greater

than the Base Price plus two dollars ($2.00). The Price Percentage used to calculate the Harvest Price is equal to the selected Price Percentage used to calculate the Base Price. The Harvest Price will be released as an Actuarial Document Addendum (Special Provisions) by September 10 of the harvest year.

Spring Wheat—(Insured as Spring Wheat in Counties With a 9/30 Cancellation Date), (MGE)

Colorado, Iowa, Montana, South Dakota and Wyoming

Base Price (KCBOT)—The August 15 to September 14 pre-harvest year's average daily settlement price for the harvest year's KCBOT July hard red winter wheat futures contract (rounded to the nearest whole cent) multiplied times the selected Price Percentage and rounded to the nearest whole cent. The available Price Percentages and subsequent Base Price will be released as an Actuarial Document Addendum (Special Provisions) by September 20 of the pre-harvest year.

Harvest Price (MGE)—The August harvest year's average daily settlement price for the harvest year's MGE September hard red spring wheat futures contract (rounded to the nearest whole cent) multiplied times the selected Price Percentage and rounded to the nearest whole cent. The Harvest Price cannot be less than the Base Price minus two dollars ($2.00), or greater than the Base Price plus two dollars ($2.00). The Price Percentage used to calculate the Harvest Price is equal to the selected Price Percentage used to calculate the Base Price. The Harvest Price will be released as an Actuarial Document Addendum (Special Provisions) by September 10 of the harvest year.

Wheat—Portland Grain Exchange, (PGE)

California, Idaho, Oregon, Utah, and Washington

Base Price (PGE)—The Portland Price multiplied times the selected Price Percentage and rounded to the nearest whole cent. The Portland Price equals the August 15 to September 14 pre-harvest year's average daily settlement price for the harvest year's CBOT September soft red winter wheat futures contract (rounded to the nearest whole cent) plus an adjustment equal to the current five-year average difference between the August average daily settlement price for the nearby CBOT September soft red winter wheat futures contract (rounded to the nearest whole cent) and the August average daily settlement price for the PGE soft white wheat contract (rounded to the nearest whole cent). The available Price Percentages and subsequent Base Price will be released as an Actuarial Document Addendum (Special Provisions) by September 20 of the pre-harvest year.

Harvest Price (PGE)—The August harvest year's average daily settlement price for the PGE soft white wheat contract (rounded to the nearest whole cent) multiplied times the selected Price Percentage and rounded to the nearest whole cent. The Harvest Price cannot be less than the Base Price minus two dollars ($2.00), or greater than the Base Price plus two dollars ($2.00). The Price Percentage used to calculate the Harvest Price is equal to the selected Price Percentage used to calculate the Base Price. The Harvest Price will be released as an Actuarial Document Addendum (Special Provisions) by September 10 of the harvest year.

Durum Wheat—(Insured as Durum Wheat in Counties With a 3/15 Cancellation Date), (MGE)

North Dakota and Montana

Base Price (MGE)—The Northern Durum Price multiplied times the selected Price Percentage and rounded to the nearest whole cent. The Northern Durum Price equals the February harvest year's average daily settlement price for the harvest year's MGE September hard red spring wheat futures contract (rounded to the nearest whole cent) plus an adjustment equal to the current five-year average difference between the August average daily settlement price for top milling durum wheat, as reported by the MGE (rounded to the nearest whole cent) and the August average daily settlement price for the nearby MGE September hard red spring wheat futures contract (rounded to the nearest whole cent). The available Price Percentages and subsequent Base Price will be released as an Actuarial Document Addendum (Special Provisions) by March 10 of the harvest year.

Harvest Price (MGE)—The August harvest year's average daily settlement price for top milling durum wheat as reported by the MGE (rounded to the nearest whole cent) multiplied times the selected Price Percentage and rounded to the nearest whole cent. The Harvest Price cannot be less than the Base Price minus two dollars ($2.00), or greater than the Base Price plus two dollars ($2.00). The Price Percentage used to calculate the Harvest Price is equal to the selected Price Percentage used to calculate the Base Price. The Harvest Price will be released as an Actuarial Document Addendum (Special Provisions) by September 10 of the harvest year.

Durum Wheat—(Insured as Durum Wheat in Counties With a 10/31 Cancellation Date), (MGE)

Arizona and California

Base Price (MGE)—The Southern Durum Price multiplied times the selected Price Percentage and rounded to the nearest whole cent. The Southern Durum Price equals the September 15 to October 14 pre-harvest year's average daily settlement price for the harvest year's CBOT September soft red winter wheat futures contract (rounded to the nearest whole cent) plus an adjustment equal to the current five-year average difference between the August average daily settlement price for top milling durum wheat as reported by the MGE (rounded to the nearest whole cent) and the August average daily settlement price for the nearby CBOT September soft red winter wheat futures contract (rounded to the nearest whole cent). The available Price Percentages and subsequent Base Price will be released as an Actuarial Document Addendum (Special Provisions) by October 20 of the pre-harvest year.

Harvest Price (MGE)—The August harvest year's average daily settlement price for top milling durum wheat as reported by the MGE (rounded to the nearest whole cent) multiplied times the selected Price Percentage and rounded to the nearest whole cent. The Harvest Price cannot be less than the Base Price minus two dollars ($2.00), or greater than the Base Price plus two dollars ($2.00). The Price Percentage used to calculate the Harvest Price is equal to the selected Price Percentage used to calculate the Base Price. The Harvest Price will be released as an Actuarial Document Addendum (Special Provisions) by September 10 of the harvest year.

All other terms and conditions of the Policy remain unchanged.

Signed in Washington, D.C., on July 8, 1998.

Kenneth D. Ackerman,

Manager, Federal Crop Insurance Corporation.

[FR Doc. 98–18727 Filed 7–13–98; 8:45 am]

BILLING CODE 3410–08–P

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Agency Information Collection Activities: Proposed Collection; Comment Request Form FNS–227 and FNS–227A, WIC Program Annual Closeout Report With Addendum

AGENCY: Food and Nutrition Service, USDA.

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, this notice announces the Food and Nutrition Service's (FNS) intention to request an extension for a currently approved information collection, the WIC Program Annual Closeout Report with Addendum.

DATES: Comments on this notice must be received by September 14, 1998.

ADDRESSES: Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) The accuracy of the agency's estimate of the burden of the proposed collection of information including the validity of the 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 technological collection techniques or other forms of information technology. Comments may be sent to: Ronald J. Vogel, Acting Director, Supplemental Food Programs Division, Food and Nutrition Service, U.S. Department of Agriculture, 3101 Park Center Drive, Alexandria, VA 22302.

All responses to this notice will be summarized and included in the request for OMB approval, and will become a matter of public record.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection form and instructions should be directed to: Ronald J. Vogel, (703) 305–2749.

SUPPLEMENTARY INFORMATION:

Title: WIC Program Annual Closeout Report with Addendum.

OMB Number: 0584–0427.

Expiration Date: 10–31–98.

Type of Request: Extension of a Currently Approved Collection Form.

Abstract: Nonentitlement programs such as the WIC Program require an annual closeout and reconciliation of grants. Departmental regulations at 7 CFR 3016.23(b) require that ''a grantee must liquidate all obligations incurred under the award not later than 90 days after the end of the funding period (or as specified in a program regulation) to coincide with the submission of the annual Financial Status Report (SF–269).'' WIC Program regulations at 7 CFR 246.17(b)(2) instruct WIC State agencies to ''submit to FCS, within 150 days after the end of the fiscal year, final fiscal year closeout reports.'' The WIC Program Annual Closeout Report (FNS–227) with addendum (FNS–227A) is substituted for the SF–269, because a closeout form which maintains the integrity of WIC's two grant components (food and nutrition services and administration) and captures State agencies' decisions to shift WIC grant funds between Federal fiscal years is needed.

Estimate of Burden: Public reporting burden for this collection of information is estimated to average 5.7 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Respondents: Directors or Administrators of WIC State agencies.

Estimated Number of Respondents: 88 respondents.

Estimated Number of Responses per Respondent: One.

Estimated Total Annual Burden on Respondents: 501.6 hours.

Dated: July 1, 1998.

George A. Braley,

Acting Administrator, Food and Nutrition Service.

[FR Doc. 98–18661 Filed 7–13–98; 8:45 am]

BILLING CODE 3410–30–P

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Agency Information Collection Activities: Proposed Collection; Comment Request Form FNS–648, WIC Local Agency Directory Report

AGENCY: Food and Nutrition Service, USDA.

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, this notice announces the Food and Nutrition Service's (FNS) intention to request an extension for a currently approved information collection, the WIC Local Agency Directory Report.

DATES: Comments on this notice must be received by September 14, 1998.

ADDRESSES: Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information including the validity of the 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 technological collection techniques or other forms of information technology. Comments may be sent to: Ronald J. Vogel, Acting Director, Supplemental Food Programs Division, Food and Nutrition Service, U.S. Department of Agriculture, 3101 Park Center Drive, Alexandria, VA 22302.

All responses to this notice will be summarized and included in the request for OMB approval, and will become a matter of public record.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection form and instructions should be directed to: Ronald J. Vogel, (703) 305–2749.

SUPPLEMENTARY INFORMATION:

Title: WIC Local Agency Directory Report.

OMB Number: 0584–0431.

Expiration Date: 10–31–98.

Type of Request: Extension of a Currently Approved Collection Form.

Abstract: FNS administers the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) by awarding cash grants to State agencies (generally State health departments). The State agencies award subgrants to local agencies (generally local health departments and nonprofit organizations) to deliver program benefits and services to eligible participants. FNS maintains a WIC Local Agency Directory which lists the names and addresses of all WIC local agencies. WIC State and local agencies and FNS use the directory to refer individuals to the nearest source of WIC Program services and to maintain continuity of program services to migrant and other transient participants. It is also used as a mailing list to provide local agencies with technical assistance manuals and other information. State agencies complete the WIC Local Agency Directory Form to

inform FNS when a local agency is newly established, closed or changes its address. This data is needed to keep the directory current.

Estimate of Burden: Public reporting burden for this collection of information is estimated to average 0.17 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Respondents: Directors or Administrators of WIC State agencies.

Estimated Number of Respondents: 88 respondents.

Estimated Number of Responses per Respondent: One.

Estimated Total Annual Burden on Respondents: 14.96 hours.

Dated: July 1, 1998.

George A. Braley,

Acting Administrator, Food and Nutrition Service.

[FR Doc. 98–18662 Filed 7–13–98; 8:45 am]

BILLING CODE 3410–30–P

DEPARTMENT OF AGRICULTURE

Forest Service

Intergovernmental Advisory Committee Subcommittee Meeting

AGENCY: Forest Service, USDA.

ACTION: Notice of meeting.

SUMMARY: The Intergovernmental Advisory Committee will meet in closed session for one day on July 16, 1998, at the Bonneville Dam, Oregon. The purpose of the meeting is to continue discussions on the implementation of the Northwest Forest Plan. The meeting will begin at 9:00 a.m. and continue until 3:00 p.m. Agenda items to be discussed in this one day retreat include, but are not limited to: review ongoing and potential topics for the coming year. The August 6 IAC meeting will be again open to the public, location and time will be announced in the **FEDERAL REGISTER**.

FOR FURTHER INFORMATION CONTACT: Questions regarding this meeting may be directed to Don Knowles, Executive Director, Regional Ecosystem Office, 333 SW 1st Avenue, P.O. Box 3623, Portland, OR 97208 (Phone: 503–808–2180).

Dated: July 7, 1998.

Donald R. Knowles,

Designated Federal Official.

[FR Doc. 98–18666 Filed 7–13–98; 8:45 am]

BILLING CODE 3410–11–M

COMMISSION ON CIVIL RIGHTS

Agenda and Notice of Public Meeting of the District of Columbia Advisory Committee

Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights, that a meeting of the District of Columbia Advisory Committee to the Commission will convene at 9:30 a.m. and adjourn at 12:45 p.m. on August 6, 1998, at the U.S. Commission on Civil Rights, 5th Floor Conference Room, 624 9th Street NW, Washington, DC 20425. The Committee will formally release its report, Residential Mortgage Lending Disparities in Washington, D.C. The Committee will also conduct a half-day briefing immediately following the event. Invited panelists will update the Committee on recent legal developments in mortgage lending discrimination, provide current statistical analyses of mortgage lending trends in the District, and discuss new developments in fair lending enforcement and industry efforts to assist minority homebuyers in the District of Columbia.

Persons desiring additional information, or planning a presentation to the Committee, should contact Committee Chairperson Steven Sims, 202–862–4815, or Ki-Taek Chun, Director of the Eastern Regional Office, 202–376–7533 (TDD 202–376–8116). Hearing-impaired persons who will attend the meeting and require the services of a sign language interpreter should contact the Regional Office at least ten (10) working days before the scheduled date of the meeting.

The meeting will be conducted pursuant to the provisions of the rules and regulations of the Commission.

Dated at Washington, DC, July 7, 1998.

Carol-Lee Hurley,

Chief, Regional Programs Coordination Unit.

[FR Doc. 98–18703 Filed 7–13–98; 8:45 am]

BILLING CODE 6335–01–P

DEPARTMENT OF COMMERCE

Submission For OMB Review; Comment Request

DOC has submitted to the Office of Management and Budget (OMB) for clearance the following proposal for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. chapter 35).

Agency: Bureau of the Census.

Title: School Enrollment Report.

Form Number(s): P–4.

Agency Approval Number: 0607–0459.

Type of Request: Extension of a currently approved collection.

Burden: 20 hours.

Number of Respondents: 40.

Avg Hours Per Response: 30 minutes.

Needs and Uses: The Census Bureau sends the School Enrollment Report annually to the 40 state departments of education that do not publish enrollment data early enough in the year for the Bureau to use their published reports. Information requested includes fall public and nonpublic enrollment by grade for the state and counties. In six states, we collect year-end enrollment. The Census Bureau uses school enrollment data in preparing estimates of state population. State population estimates are used by dozens of Federal agencies for allocating Federal program funds, as bases for rates of occurrences, and as input for Federal surveys. State and local governments, businesses, and the general public use state population estimates for planning and other informational uses.

Affected Public: State, Local, or Tribal Government.

Frequency: Annually.

Respondent's Obligation: Voluntary.

Legal Authority: Title 13, USC, Sections 181 and 182.

OMB Desk Officer: Nancy Kirkendall, (202) 395–7313.

Copies of the above information collection proposal can be obtained by calling or writing Linda Engelmeier, DOC Forms Clearance Officer, (202) 482–3272, Department of Commerce, room 5327, 14th and Constitution Avenue, NW, Washington, DC 20230.

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to Nancy Kirkendall, OMB Desk Officer, room 10201, New Executive Office Building, Washington, DC 20503.

Dated: July 8, 1998.

Linda Engelmeier,

Departmental Forms Clearance Officer, Office of Management and Organization.

[FR Doc. 98–18710 Filed 7–13–98; 8:45 am]

BILLING CODE 3510–07–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–806]

Silicon Metal from the People's Republic of China; Final Results of Antidumping Duty Administrative Review

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

ACTION: Notice of final results of antidumping duty administrative review; silicon metal from the People's Republic of China.

SUMMARY: On March 10, 1998, the Department of Commerce (the Department) published the preliminary results of its administrative review of the antidumping duty order on silicon metal from the People's Republic of China (PRC). The review covers the period June 1, 1996 through May 31, 1997.

We gave interested parties an opportunity to comment on our preliminary results. We received no comments and have not changed the results from those presented in the preliminary results of review.

EFFECTIVE DATE: July 14, 1998.

FOR FURTHER INFORMATION CONTACT: Gideon Katz or Maureen Flannery, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482–4733.

Applicable Statute

Unless otherwise indicated, all citations to the statute are references to the provisions effective January 1, 1995, the effective date of the amendments made to the Tariff Act of 1930 (the Act) by the Uruguay Round Agreements Act. In addition, unless otherwise indicated, all citations to the Department's regulations are to the regulations as codified at 19 CFR part 353 (April 1, 1996).

SUPPLEMENTAL INFORMATION:

Background

On March 10, 1998, the Department published in the **Federal Register** (63 FR 11654) the preliminary results of its administrative review of the antidumping duty order on silicon metal from the People's Republic of China. We did not receive any comments from interested parties. The Department has now completed the review in accordance with section 751 of the Act.

Scope of the Review

Imports covered by this review are shipments of silicon metal containing at least 96.00 but less than 99.99 percent of silicon by weight. Also covered by this review is silicon metal from the PRC containing between 89.00 and 96.00 percent silicon by weight but which contains a higher aluminum content than the silicon metal containing at least 96.00 percent but less than 99.99 percent silicon by weight. Silicon metal is currently provided for under subheadings 2804.69.10 and 2804.69.50 of the Harmonized Tariff Schedule (HTS) as a chemical product, but is commonly referred to as a metal. Semiconductor-grade silicon (silicon metal containing by weight not less than 99.99 percent of silicon and provided for in subheading 2804.61.00 of the HTS) is not subject to this review. Although the HTS subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

This review covers the period June 1, 1996 through May 31, 1997.

Final Results of the Review

For the reasons set out in the preliminary determination, we determine that the following dumping margin exists:

Manufacturer/ exporter	Time Period	Margin (percent)
PRC rate	6/1/96–5/31/97	139.49

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. The Department will issue appraisement instructions directly to the Customs Service. Furthermore, the following deposit requirements will be effective upon publication of this notice of final results of review for all shipments of silicon metal from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(1) of the Act: for all PRC exporters, the cash deposit rate will be the PRC-wide rate established in these final results of administrative review; and (2) the cash deposit rates for non-PRC exporters of subject merchandise from the PRC will be the rates applicable to the PRC supplier of that exporter. These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

Notification to Interested Parties

This notice serves as a reminder to importers of their responsibility under section 353.26 of the Department's regulations to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 353.34(d). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This administrative review and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and section 353.22 of the Department's regulations.

Dated: June 27, 1998.

Richard W. Moreland,

Acting Assistant Secretary for Import Administration.

[FR Doc. 98–18736 Filed 7–13–98; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

National Institute of Standards and Technology

In Situ Burning of Oil Spills Workshop

AGENCY: National Institute of Standards and Technology, Commerce.

ACTION: Notice of open meeting.

SUMMARY: The National Institute of Standards and Technology (NIST) is conducting the workshop on behalf of the Minerals Management Service (MMS), Department of the Interior. The goal of the workshop is to present the current state of knowledge for the *in situ* burning of spilled oil to decision makers from local, state and federal agencies, responders, environmentalists, academia, and the user community. Participants will prioritize research and information needs necessary to support decisions on the use of *in situ* burning as a response tool. Specific emphasis will be given to burning operations and environmental and human health concerns. Preprints of the technical papers will be available to attendees to facilitate their participation in panel discussions. After the workshop a proceedings will be published containing the technical papers and the research and information needs identified by the attendees.

DATES: The workshop will take place on Monday, November 2, 1998, through Wednesday, November 4, 1998 from 8:30 AM to 5 PM.

PLACE: The meeting will take place at the Double Tree Hotel, 300 Canal Street, New Orleans, LA 70130.

ADDRESSES: To register for the workshop, contact Ms. Lori Phillips, National Institute of Standards and technology, Building 101, Room B116, Gaithersburg, MD 20899, telephone: (301) 975–4513; Fax: (301) 948–2067.

FOR FURTHER INFORMATION CONTACT: For technical questions, contact Ms. Nora H. Jason, telephone: (301) 975–6862; Fax: (301) 975–4052; e-mail: nora.jason@nist.gov.

SUPPLEMENTARY INFORMATION: A registration fee will be charged for attending the workshop. Participants are expected to make their own travel arrangements and accommodations.

Dated: July 8, 1998.

Robert E. Hebner,

Acting Deputy Director.

[FR Doc. 98–18699 Filed 7–13–98; 8:45 am]

BILLING CODE 3510–13–M

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D. 070798D]

Endangered Species; Permits

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

ACTION: Issuance of Scientific Research Permit 1144.

SUMMARY: Notice is hereby given that on June 23, 1998, NMFS issued Scientific Research Permit 1144 to Bruce D. Peery, Michael J. Bresette, and Jonathan C. Gorham, to take listed sea turtles for the purpose of scientific research subject to certain conditions set forth therein.

ADDRESSES: The application, permit, and related documents are available for review by appointment in the following offices:

Office of Protected Resources, F/PR3, NMFS, 1315 East-West Hwy., Room 13307, Silver Spring, MD 20910–3226 (301–713–1401); and Director, Southeast Region, NMFS, NOAA, 9721 Executive Center Drive, St. Petersburg, FL 33702–2432 (813–893–3141).

SUPPLEMENTARY INFORMATION: Notice was published on April 27, 1998 (63 FR 20638) that an application had been filed by Bruce D. Peery, Michael J. Bresette, and Jonathan C. Gorham (1144), to take listed sea turtles as authorized by the Endangered Species Act of 1973 (ESA) (16 U.S.C. 1531–1543) and NMFS regulations governing listed fish and wildlife permits (50 CFR parts 217–222).

The applicants requested a one-year scientific research permit to take listed sea turtles. Up to 75 green (*Chelonia mydas*) and 25 loggerhead (*Caretta caretta*) turtles will be taken in large mesh tangle nets for the purposes of stock assessment to characterize the sea turtles that utilize the southern Indian River Lagoon System, Florida. Captured turtles will be weighed, photographed, measured, tagged, and released. NMFS issued permit 1144 on June 23, 1998.

Issuance of this permit, as required by the ESA, was based on a finding that such permit: (1) Was applied for in good faith, (2) will not operate to the disadvantage of the listed species that are the subject of this permit, and (3) is consistent with the purposes and policies set forth in section 2 of the ESA.

Dated: July 8, 1998.

Patricia A. Montanio,

Deputy Director, Office of Protected Resources, National Marine Fisheries Service.

[FR Doc. 98–18733 Filed 7–13–98; 8:45 am]

BILLING CODE 3510–22–F

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D. 070798C]

Endangered Species; Permits

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

ACTION: Receipt of applications for scientific research permits (1138, 1139, 1161, 1162, 1166, 1167) and for a modification to a scientific research/enhancement permit (1010).

SUMMARY: Notice is hereby given of the following actions regarding permits for takes of endangered and threatened species for the purposes of scientific research and/or enhancement: NMFS has received permit applications from: Dr. Jennifer L. Nielsen of the Hopkins Marine Station, Stanford University in Pacific Grove, CA (1138), Wetlands Research Associates Inc. (WRAI) in San Rafael, CA (1139), the State Water Resources Control Board (SWRCB) in Sacramento, CA (1161), Salmon Protection and Watershed Network (SPAWN) in Forest Knolls, CA (1162), Dr. Alice A. Rich of A.A. Rich and Associates (AARA) in San Anselmo, CA (1166), and Dr. Peter B. Moyle of the Department of Wildlife, Fish and Conservation Biology University of California, in Davis, CA (1167); and NMFS has received an application for a modification to an existing scientific research/enhancement permit from: Idaho Department of Fish and Game at Boise, ID (IDFG) (1010).

DATES: Written comments or requests for a public hearing on any of the applications must be received on or before August 13, 1998.

ADDRESSES: The applications and related documents are available for review in the following offices, by appointment:

For permit 1010: Protected Resources Division (PRD), F/NWO3, 525 NE Oregon Street, Suite 500, Portland, OR 97232–4169 (503–230–5400).

For permits 1138, 1139, 1161, 1162, 1166, and 1167: Protected Species Division, NMFS, 777 Sonoma Avenue, Room 325, Santa Rosa, CA 95404–6528 (707–575–6066).

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

FOR FURTHER INFORMATION CONTACT: For permit 1010: Robert Koch, Portland, OR (503–230–5424).

For permits 1138, 1139, 1161, 1162, 1166, and 1167: Thomas Hablett, Protected Resources Division, (707–575–6066).

SUPPLEMENTARY INFORMATION: Authority

Permits are requested under the authority of section 10 of the Endangered Species Act of 1973 (ESA) (16 U.S.C. 1531–1543) and the NMFS regulations governing ESA-listed fish and wildlife permits (50 CFR parts 217–227).

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

Species Covered in this Notice

The following species are covered in this notice: Chinook salmon (Oncorhynchus tshawytscha), Coho salmon (Oncorhynchus kisutch), and Steelhead trout (Oncorhynchus mykiss).

New Applications Received

Jennifer Nielsen (1138) requests a five-year permit to receive, possess, and analyze, genetic tissue samples taken from adult and juvenile salmonids, for all species currently listed in California. Tissue samples taken from live, non-invasively sampled fish, will consist only of fin clips and scales. These and/or skin tissue will be taken from carcasses. The samples will be collected in the field by participating investigators who have been authorized by NMFS to take and transfer tissue samples for genetic study purposes. The requested authorizations for California include samples from: threatened coho salmon in the southern Oregon/northern California coast (SONCC) and central California coast (CCC) Evolutionarily Significant Units (ESUs); endangered steelhead in the southern California coast (SoCC) ESU; threatened steelhead in the CCC, south-central Califonia coast (SCCC), and central valley (CV) ESUs; and endangered Sacramento River, winter-run chinook salmon; associated with ongoing genetic population inventories throughout California.

WRAI (1139) requests a two-year permit for takes of juvenile, threatened, CCC coho salmon, and juvenile, threatened CCC steelhead associated with fish population and habitat studies in the Petaluma River within the ESUs. The studies consist of four assessment tasks for which ESA-listed fish are proposed to be taken: 1) Presence/absence; 2) population estimates; 3) out-migrational surveys; and 4) habitat quality evaluation. ESA-listed fish will be observed or captured, anesthetized, handled, allowed to recover from the anesthetic, and released. Indirect mortalities are also requested.

SWRCB (1161) requests a five-year permit for takes of juvenile, threatened, CCC coho salmon associated with fish population and habitat studies in the Noyo River within the ESU. The studies consist of four assessment tasks for which ESA-listed fish are proposed to be taken: 1) Presence/absence; 2) population estimates; 3) life history patterns; and 4) habitat quality evaluation. ESA-listed fish will be observed or captured, anesthetized, handled, allowed to recover from the anesthetic, and released. Indirect mortalities are also requested.

SPAWN (1162) requests a five-year permit for takes of juvenile, threatened, CCC coho salmon, and juvenile, threatened CCC steelhead (O. mykiss) associated with fish population and habitat studies in the San Geronimo Creek within the ESUs. The studies consist of two assessment tasks for which ESA-listed fish are proposed to be taken: 1) Presence/absence; and 2) habitat quality evaluation. In addition, authorization is requested to move stranded fish from isolated pools into the mainstem of the watershed. ESA-listed fish will be observed or captured, anesthetized, handled, allowed to recover from the anesthetic, and released. Indirect mortalities are also requested.

AARA (1166) requests a five-year permit for takes of: adult and juvenile, threatened, SONCC and CCC coho salmon; adult and juvenile, endangered, SoCC steelhead; and adult and juvenile, threatened, SCCC and CCC steelhead associated with fish population and habitat studies in coastal drainages throughout California. The studies consist of salmonid habitat and biological inventories, and project monitoring and evaluation studies for which ESA-listed fish are proposed to be taken. ESA-listed fish will be captured, anesthetized, handled (identified and measured), allowed to recover from the anesthetic, and released. ESA-listed salmon indirect mortalities associated with the research are also requested.

Peter Moyle (1167)requests a three-year permit for takes of juvenile, threatened, CCC coho salmon associated with fish population and habitat studies in the Navarro River and Indian Creek watersheds within the ESU. The studies involve surveying macroinvertebrate and fish communities in selected stream reaches, and consist of three assessment tasks for which ESA-listed fish are proposed to be taken: 1) Presence/absence; 2) population estimates; and 3) habitat quality evaluation. ESA-listed fish will be observed during snorkeling surveys.

Modification Request Received

IDFG requests a modification to permit 1010, which authorizes annual direct takes of adult and juvenile, threatened, Snake River spring/summer chinook salmon associated with a captive rearing program for the upper Salmon River tributaries of West Fork Yankee Fork, upper East Fork, and Lemhi River in ID. The captive rearing program was initiated in 1995 when NMFS allowed the collection of ESA-listed, naturally produced, juvenile fish for the program under permit 972. For modification 2, IDFG proposes to release ESA-listed, captively-reared, mature fish from the program into their respective streams of origin for natural spawning. The ESA-listed adult fish to be released are proposed to be tagged with radiotransmitters so that IDFG may monitor fish movement and spawning-related behavior. Subsequent to spawning, carcasses of the ESA-listed fish are proposed to be inspected and sampled for tissues. Also for modification 2, IDFG proposes to retain ESA-listed adult fish in the hatcheries to initiate a captive spawning program. ESA-listed fish eggs produced from the captive spawning program are proposed to be distributed in their respective streams of origin. Also for modification 2, IDFG requests incidental takes of ESA-listed anadromous fish species that would result from fish releases from the captive rearing program. Modification 2 is requested to be valid for the duration of the permit. Permit 1010 expires on December 31, 2000.

Dated: July 8, 1998.

Patricia A. Montanio,

Deputy Director, Office of Protected Resources, National Marine Fisheries Service.

[FR Doc. 98–18734 Filed 7–13–98; 8:45 am]

BILLING CODE 3510–22–F

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D. 070298F]

Marine Mammals; File No. 786–1463

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

ACTION: Receipt of application.

SUMMARY: Notice is hereby given that Dr. Daniel Costa, Department of Biology and Institute of marine Sciences, University of California, Santa Cruz, CA 95064, has applied in due form for a permit to take northern elephant seals (*Mirounga angustirostris*) and import samples from northern and southern elephant seals (*Mirounga leonina*) for purposes of scientific research.

DATES: Written or telefaxed comments must be received on or before August 13, 1998.

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

Permits and Documentation Division, Office of Protected Resources, NMFS, 1315 East-West Highway, Room 13130, Silver Spring, MD 20910 (301/713–2289); and

Regional Administrator, Southwest Region, National Marine Fisheries Service, NOAA, 501 West Ocean Boulevard, Suite 4200, Long Beach, CA 90802–4213 (562/980–4001).

Written comments or requests for a public hearing on this application should be mailed to the Chief, Permits and Documentation 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 on this particular request would be appropriate.

Comments may also be submitted by facsimile at (301) 713–0376, provided the facsimile is confirmed by hard copy submitted by mail and postmarked no later than the closing date of the comment period. Please note that comments will not be accepted by e-mail or by other electronic media.

FOR FURTHER INFORMATION CONTACT: Sara Shapiro or Ruth Johnson, 301/713–2289.

SUPPLEMENTARY INFORMATION: The subject permit is requested under the authority of the Marine Mammal Protection Act of 1972, as amended (MMPA; 16 U.S.C. 1361 *et seq.*) and the Regulations Governing the Taking and Importing of Marine Mammals (50 CFR part 216).

The applicant seeks authorization to continue a long-term study on a broad suite of behavioral, physiological, and life history characteristics of northern elephant seals (*Mirounga angustirostris*). The ultimate goal of the proposed research is to understand the animal in its natural habitat, how it makes a living, and how it reproduces optimally.

In compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*), an initial determination has been made that the activity proposed is categorically excluded from the requirement to prepare an environmental assessment or environmental impact statement.

Concurrent with the publication of this notice in the **Federal Register**, NMFS is forwarding copies of this application to the Marine Mammal Commission and its Committee of Scientific Advisors.

Dated: July 7, 1998.

Ann D. Terbush,

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

[FR Doc. 98–18735 Filed 7–13–98; 8:45 am]

BILLING CODE 3510–22–F

DEPARTMENT OF COMMERCE

Technology Administration

[Docket No. 980317064–8064–01]

RIN 0692–ZA01

Announcement of Availability of Funding for Competitions—Experimental Program To Stimulate Competitive Technology (EPSCoT)

AGENCY: Office of Technology Policy, Technology Administration, Commerce.

ACTION: Notice.

SUMMARY: The Technology Administration's Office of Technology Policy (OTP) announces the availability of funding for the following competition to be held in fiscal year 1998 under the Experimental Program to Stimulate Competitive Technology (EPSCoT). The EPSCoT will support technology-based economic growth in eligible jurisdictions by promoting partnerships between state and local governments, universities, community colleges, non-profit organizations and the private sector. This notice provides general information for the competition planned for fiscal year 1998.

DATES: Complete applications for the Fiscal Year 1998 EPSCoT grant program must be mailed or hand-carried to the address indicated below and received by the Technology Administration no later than 9:00 P.M. EST, August 25, 1998. Postmark date is not sufficient. Applications which have been provided to a delivery service will be accepted for review *if the applicant can document that the application was provided to the delivery service by August 24, 1998 with delivery to the address listed below guaranteed prior to the closing date and time.* Applications will not be accepted via facsimile machine transmission or electronic mail.

ADDRESSES: US Dept. of Commerce, Technology Administration, attn: EPSCoT Director, Anita Balachandra, 1401 Constitution Avenue NW, HCHB Room 4418, Washington, DC 20230.

Note: Due to Departmental security policies, hand carried packages must be delivered to Rm. 1874.

FOR FURTHER INFORMATION CONTACT: Anita Balachandra, Director of the Experimental Program to Stimulate Competitive Technology, Telephone: (202) 482–1320, Fax: (202) 219–8667, Email: *epscot@ta.doc.gov*

Information on the EPSCoT is also available at: *http://www.ta.doc.gov/epscot*

For fax and email inquiries, please include a name, mailing address, and phone number.

SUPPLEMENTARY INFORMATION:

Authority

The statutory authority for the EPSCoT is the Federal Technology Transfer Act (15 U.S.C. 3704(c)(11), (12) and § 3706)

Program Description

The Experimental Program to Stimulate Competitive Technology (EPSCoT) will support technology-based economic growth in eligible jurisdictions by promoting partnerships between state and local governments, universities, community colleges, non-profit organizations and the private sector.[1] Through these partnerships, EPSCoT seeks to support local efforts to:

- Build state-wide institutional capacity to support technology commercialization
- Create the business climate that is conducive to technology development, deployment and diffusion
- Compete in Federal R&D programs

The EPSCoT parallels the National Science Foundation's Experimental Program to Stimulate Competitive Research (EPSCoR). While EPSCoR's primary emphasis is improving the competitive performance of major research universities of these jurisdictions, EPSCoT seeks to support state efforts to improve the commercial environment for R&D.

Funding Availability

In fiscal year 1998,

[1] Eligible jurisdictions are those that are eligible to participate in the National Science Foundation's Experimental Program to Stimulate Competitive Research (EPSCoR): Alabama, Arkansas, Idaho, Kansas, Kentucky, Louisiana, Maine, Mississippi, Montana, Nebraska, Nevada, North Dakota, Oklahoma, South Carolina, South Dakota, Vermont, West Virginia, Wyoming and the Commonwealth of Puerto Rico.

- Approximately $1.6 million is available
- It is anticipated that between four and six grants will be awarded
- Funding for multiple year awards will be contingent on the *achievement of annual milestones.*

Matching Funds Requirements

The Technology Administration seeks to develop a partnership with each EPSCoT jurisdiction. To achieve the objectives of the EPSCoT, both parties must contribute to EPSCoT initiatives.

- Grant recipients under this program are required to provide matching funds toward the total project cost
- For single-jurisdiction proposals TA will provide up to 50% of the total project cost
- For multi-jurisdictional proposals TA will provide up to 75% of the total project cost
- Applicants must document the capacity to supply matching funds
- Matching funds may be in the form of cash
- In-kind match is permissible only when the in-kind contribution is significantly changing the activities that would otherwise be performed by the ''match''
- In-kind match may not exceed 25% of the total project cost
- If an applicant incurs any project costs prior to the start date negotiated at the time the award is made, it does so solely at its own risk of not being reimbursed by the government and will not be allowable as ''match.''
- Federal funds (such as grants) generally may not be used as matching funds, except as provided by federal statute. For information about whether particular federal funds may be used as matching funds, the applicant should contact the federal agency that administers the funds in question.

Type of Funding Instrument

- The funding instrument for awards under this program shall be a grant.

Eligible Organizations

Eligible organizations shall be headquartered in jurisdictions that are eligible to participate in the National Science Foundation's Experimental Program to Stimulate Competitive Research (EPSCoR): Alabama, Arkansas, Idaho, Kansas, Kentucky, Louisiana, Maine, Mississippi, Montana, Nebraska, Nevada, North Dakota, Oklahoma, South Carolina, South Dakota, Vermont, West Virginia, Wyoming and the Commonwealth of Puerto Rico.

Within these jurisdictions, state, local, or Indian tribal governments, community colleges, universities, non-profit organizations, private (for-profit) organizations, technology business centers, business incubators, industry councils *or any combination of these entities* may submit proposals.

- TA shall not award more than one EPSCoT grant per grant round within a single jurisdiction[2].
- Multi-jurisdictional proposals do not count as projects submitted by an organization from a single jurisdiction.
- Entities that are not headquartered in one of the eligible jurisdictions, such as national or regional organizations or federal laboratories, may participate as partners, but may not serve as lead organizations.
- The lead organization is the organization to which funds will be disbursed—this is the organization that is listed in Box 5 of Standard Form 424.

Award Period

- Awards will be made for between 12 and 36 months.
- Multiple year awards will be contingent on the *achievement of annual milestones.*

Proposal Format

Application forms

A complete proposal will include the following:

- Standard Form 424, Application for Federal Assistance.
- Executive Summary.
- Project Narrative.
  - Optional: Appendices, Timelines, Letters of support.
- Standard Form 424A.
  - Budget Narrative.
  - Statement of Matching Funds.
- Standard Form 424B; Assurances.
- Standard Form CD–511; Certifications.
- Standard Form LLL; Disclosure of Lobbying Activities (if applicable).

Pagination

The pages of an EPSCoT application should be numbered consecutively, starting with the first page of the Project Narrative. Please number the Budget Narrative and the Statement of Matching Funds as 424A–1, 424A–2, etc. Applicants may insert a Table of Contents after the Standard Form 424 and before the Project Narrative to assist reviewers in locating information.

Page Formats

The proposal should be typed, single-spaced, on 8½″ x 11″ paper. All text should be prepared using a font of no less than 12 points with margins of no less than one inch (1″).

Total Number of Copies

TA requests that each applicant submit one (1) original signed proposal and two (2) copies. The copy with original signatures should clearly be marked ''Original.'' Each duplicate should be clearly marked ''Copy.'' The copy marked ''Original'' must be clipped with a binder clip. The two copies must each be stapled.

Signatures

Signatures are required in the following places in the application

- Bottom (box 18d) of Standard Form 424, Application for Federal Assistance
- Back page of Standard Form 424B, Assurances
- Bottom of back page of Standard Form CD–511, Certifications
- Bottom of Standard Form LLL, Disclosure of Lobbying Activities (if applicable)

Standard Forms 424, 424B, CD–511 and LLL should be signed by someone who is authorized to commit the applicant organization(s), such as the Chief Executive Officer, Chief Financial Officer, President, or Executive Director. Original signatures should be in blue ink so that the original proposal can be easily distinguished from the duplicate copies.

Page Limit

The total proposal must not exceed 50 pages, including eight pages for the Project Narrative and a 125 word Executive Summary. The 50-page limit includes all text, tables, illustrations, maps, letters, references, resumes and supporting documents, excluding the Standard Forms and all budget information. Quality, not quantity, is what counts!

Contact Information

Applicants must provide the following contact information on Standard Form 424:

- Legal name (of the organization)
- Complete mailing address
- Telephone number
- Name of a contact individual
- Electronic mail address, if any

If any of this contact information changes after the application is submitted, the applicant must immediately notify EPSCoT in writing.

Narrative Elements

Each proposal must address the following. It is recommended that the project narrative be organized in these five sections.

[2] The Technology Administration reserves the right to make an exception in the event that an organization submits a single jurisdiction proposal and that jurisdiction is implicated in a multi-jurisdictional proposal and both are final candidates for awards.

(1) Scope of Proposed Project

- Describe how the proposed activity was identified
- Describe how the proposed activity will improve the jurisdiction's capacity to support technology-based economic development
- Explain why the proposed activity is a good investment of Federal funds

(2) Project Management

- Describe the qualifications of personnel
- Describe how the project will be managed
- Describe how decisions will be made between and among partners

(3) Coordination within and/or among Jurisdictions

- Describe how the proposed activity relates to, or builds upon, the strategic plans developed for economic development, science & technology and NSF EPSCoR
- Describe how collaborators were identified
- Describe how participating organizations will benefit from the proposed activity

(4) Financial Plan

- Describe how funds will be allocated, given the project timeline and milestones
- Demonstrate your ability to procure matching funds
- Describe the quality of match: while in-kind contributions are allowable, preference will be given to those that are able to procure a cash match

(5) Evaluation

- Describe the appropriate outcome-measures for the proposed activity
- Detail the timeline for the proposed activity (include specific milestones)

Freedom of Information Act

Because of the high level of public interest in projects supported by the EPSCoT, the program anticipates receiving requests for copies of successful applications. Applicants are hereby notified that the applications they submit are subject to the Freedom of Information Act (FOIA). Applicants may identify sensitive information and label it ''confidential'' to assist TA in making disclosure determinations.

Funding Priorities

EPSCoT's funding priorities are the effective use of partnerships and outreach to underserved areas. EPSCoT funds are not intended for the construction of facilities. Given the central role that technology plays in economic growth, all jurisdictions—federal, state and local—are concerned with creating and maintaining the conditions that are conducive to the development of new technologies, and the adoption and diffusion of existing ones.

EPSCoT is meant to assist jurisdictions in their attempts to promote technology-based economic growth by *improving the commercial environment for R&D.* A strategy for doing so should build on the resources of the state government, research universities, community colleges, vocational schools, business community, finance community and any Federal resources the jurisdiction may have, such as national labs, manufacturing extension centers, or technology transfer centers. To this end, applicants must demonstrate that they are developing robust teaming arrangements between and among participating organizations.

EPSCoT awards will be competitively selected and cost-shared. They will be of a finite duration, ranging from 12 to 36 months, EPSCoT grants must create activities that will become self-sufficient OR create change within the grant life. This way the EPSCoT can support the most innovative projects with the expectation that projects will create new knowledge, develop successful institutional relationships, demonstrate new concepts that can be replicated, or develop concepts that can be sustained by other organizations at the end of the grant life. These grants should either obtain the desired outcome within the life of the grant or should serve as ''seed'' capital to initiatives that will be self-sustaining after the grant. It is intended that EPSCoT projects will serve as models for other jurisdictions.

Multi-jurisdictional Proposals

Recognizing that a regional economy may not always fit within the boundaries of one jurisdiction, the Technology Administration will consider proposals for multi-jurisdiction projects. The requirement of matching funds is reduced for multi-jurisdiction proposals. Applicants will be expected to demonstrate the proposed activity's importance to the stated economic development priorities of the participating jurisdictions. Multi-jurisdiction proposals will not be considered against each jurisdiction's total.

Jurisdictional Coordination

Coordination within jurisdictions is a principal priority of the EPSCoT. Multiple proposals from the same jurisdiction will be scrutinized carefully, not only for redundancy, but also to determine whether the proposed activities will be carried out in isolation. Single proposals representing collaboration between stakeholders in a particular jurisdiction will be reviewed more favorably.

Applicants are required to demonstrate familiarity with the strategic plans developed by the jurisdiction's EPSCoR Committee, economic development agency and/or science & technology council. The proposed activity should clearly build on the stated priorities of these plans.

Examples of Eligible Project Ideas

The EPSCoT aims to foster innovative, collaborative approaches to improve competitiveness; examples of eligible project ideas include, *but are not limited to,* the following:

Technology Access Database

In order to assist small firms in accessing the technological resources of local universities, a jurisdiction could establish a comprehensive database of research areas and contact information. Such an effort would involve significant research to identify and categorize research areas, construct a database that is easily searchable, and then make the database widely available.

Technology Access Workshops

In order to assist small firms in accessing the technological resources of local universities, a jurisdiction could conduct outreach workshops. Such an effort would involve a cluster analysis of the small business community, an inventory of the technological resources available in the local universities, and then a series of workshops.

Increasing Participation in Federal R&D Programs

A jurisdiction could develop mechanisms to increase its participation in Federal R&D programs such as the Small Business Innovation Research Program (SBIR) or the Advanced Technology Program (ATP). Such an effort might involve assistance programs that conduct outreach workshops to small businesses, as well as other service providers, to provide information about these programs and/or commercialization assistance for firms after participation in the program.

Technology Transfer

Several jurisdictions have investigated and identified barriers to university-industry collaboration. Eliminating these barriers can facilitate technology transfer. Such an effort might begin with altering the risk-reward structure to create a climate, or

''market,'' for technology transfer within universities, and go on to include harmonizing technology transfer mechanisms across universities.

Business Incubators

A jurisdiction could establish a virtual business incubator to foster the growth of small technology-intensive businesses in underserved areas. Such an effort might involve a variety of partnerships; for example, between faculty and students from a university's business administration and engineering programs, between existing business incubators and universities, or between universities, community colleges and economic development agencies. Among other things, a virtual incubator could provide online entrepreneurship training, including assistance with business planning and market development.

Co-op Opportunities

A jurisdiction could develop co-op opportunities between universities and businesses to increase interactions between students and private-sector companies. Such an effort might involve cross-placement of engineering and business students.

Strategic Planning

A jurisdiction could apply for a planning grant. A planning effort involving the research community, economic development agencies, private sector, science & technology councils, community colleges, and/or vocational schools, would ideally build on previous plans and integrate the complementary but distinct missions of the participating organizations toward common goals.

Consortia

Having conducted a comprehensive cluster analysis, a jurisdiction may conclude that seemingly disparate nascent clusters in fact have common interests and needs. When no single industry cluster is large enough to sustain an exclusive effort, companies, university researchers and public agencies might form a consortium to address issues of common interest.

Reaping the Investment in Human Capital

A jurisdiction might seek to retain a greater share of its skilled labor. This might involve developing a manufacturing strategy that ties together the jurisdiction's industrial base and the jurisdiction's universities and community colleges so that there are more local employment opportunities for graduates in science and technology fields.

Industry Councils

Having undertaken an analysis to identify industry clusters and key industries, a jurisdiction could work with resident companies to set up industry councils bringing together producers, suppliers, and university researchers. With a minimum of overhead, such councils could serve as fora for identifying and addressing issues of common interest, host networking events, and, as appropriate, conduct outreach activities or implement apprenticeship programs.

Regional Cooperative Efforts

Any of the projects described above could be launched on a regional scale. A group of jurisdictions could work together to identify industry clusters and develop strategies to support those clusters. For example, such an initiative could improve technology access for microenterprises by harmonizing the technology licensing practices among the universities in participating jurisdictions. A group of jurisdictions could also cooperate to link and leverage their efforts in a specific area, such as support for SBIR applicants, in order to provide a more seamless regional infrastructure.

Other Requirements

Each successful applicant will be required to travel to Washington and participate in a 2-day networking meeting. The purpose of this meeting is to brief the Technology Administration on the progress of the funded projects and to provide awardees with an opportunity to compare notes with one another.

In addition, awardees will be required to provide the Technology Administration with quarterly progress reports, consisting of a 1–2 page activity summary and a 1 page budget summary. At the end of the grant period, a final project report is required before the final disbursement of funds. This report must explain the contribution of the funded activity to the jurisdiction's competitiveness and measures of its success.

Selection Process

Each eligible application will first be reviewed by outside reviewers. Each reviewer will evaluate applications according to the *evaluation criteria* below.

Evaluation Criteria

Proposals will be evaluated according to selection criteria that match the required format. These criteria will be weighted equally.

(1) Scope of Proposed Project

Proposals will be evaluated on the clarity with which they:

- Identify/define a specific problem or issue that the proposed activity is to address:
- Identify stakeholders and partners.
- Propose a solution—and specify the process for identifying this particular solution.
- Explain why the proposed activity is a good investment of public funds.
- Demonstrate that the proposed activity does in fact increase a jurisdiction or region's capacity to support technology-based economic development.
- Address the needs of underserved areas.
- Identify specific, quantifiable measurable outcomes of the proposed activity. *Outcomes should reflect benefits that are measurable on an annual basis.*

(2) Project Management

- Proposals will be evaluated for the:
- Adequacy of the personnel—their expertise and ability to carry out the proposed activity.
- Capabilities of the applicant (lead) organization.
- Clarity of the management plan, including the identification of partners.
- Likelihood that the proposed activity will be completed within the grant life, or become self-sustaining afterward.

(3) Coordination within and/or among Jurisdictions

Proposals will be evaluated for the:

- Emphasis on robust teaming arrangements between disparate organizations.
- Degree to which the proposed activity builds upon the complementary missions of the participating organizations.
- Strength and diversity of support for the project within the jurisdiction.
- Partnerships involved—they must be clearly defined, mutually beneficial, and the commitments well documented.
- Demonstrated understanding of the strategic plans developed by the jurisdiction's EPSCoR committee, economic development agency and/or science and technology council. The proposed activity should reflect or build upon the stated priorities of these plans.

(4) Financial Plan

Proposed will be evaluated for the:

- Budget plan—it should be sufficiently detailed so that the

relationship between budget items and milestones in the project narrative is clear. Also, the budget should allow sufficient funds for evaluation, dissemination of results and participation in one networking meeting in Washington, DC.

- Reasonableness of costs.
- Demonstrated ability to provide or procure matching funds.
- Quality of match: while in-kind contributions are allowable, preference will be given to those that are able to (deliver) a cash match.

(5) Evaluation

Each proposal must include a plan for evaluating the project and a plan for disseminating knowledge gained from the project. The evaluation plan should include both quantitative and qualitative indicators and must identify specific evaluation methods. The evaluation plan should also capture the lessons learned during the project that will serve as pragmatic tips for others interested in replicating or adapting the project in other regions. Applications must include the qualifications of any proposed evaluators and sufficient funds in the budget to perform a thorough and useful evaluation of the project.

Finally, applicants must demonstrate a willingness to share information about their projects with interested parties, to host site visits, and to participate in demonstrations.

Each reviewer will make non-building recommendations to a committee of Federal officials, chaired by the EPSCoT Director. This committee will prepare and present a set of recommended grant awards to the Selecting Official, the Under Secretary for Technology. The Committee's recommendations and the Under Secretary's review and approval will take into account the following:

- The evaluations of the outside reviewers.
- The degree to which the slate of applications, taken as a whole, satisfies the program's stated purposes.
- The variety of the proposed activities.
- The availability of funds.
- The geographic distribution of the proposed grant awards.
- Avoidance of redundancy and conflicts with the initiatives of other federal agencies.

Additional Requirements

Primary Application Certifications

All primary applicant institutions must submit a completed form CD–511, ''Certifications Regarding Debarment, Suspension and Other Responsibility Matters; Drug-Free Workplace Requirements and Lobbying,'' and the following explanations must be provided:

(1) *Non-procurement Debarment and Suspension.* Prospective participants (as defined at 15 CFR Part 26, Section 105) are subject to 15 CFR Part 26, ''Non-procurement Debarment and Suspension'' and the related section of the certification form prescribed above applies;

(2) *Drug-Free Workplace.* Grantees (as defined at 15 CFR Part 26, Section 605) are subject to 15 CFR Part 26, Subpart F, ''Government-wide Requirements for Drug-Free Workplace (Grants)'' and the related section of the certification form prescribed above applies;

(3) *Anti-Lobbying.* Persons (as defined at 15 CFR Part 28, Section 105) are subject to the lobbying provisions of 31 U.S.C. 1352, ''Limitation on use of appropriated funds to influence certain Federal contracting and financial transactions,'' and the lobbying section of the certification form prescribed above applies to applications/bids for grants, cooperative agreements, and contracts for more than $100,000, and loans and loan guarantees for more than $150,000, or the single family maximum mortgage limit for affected programs, whichever is greater.

(4) *Anti-Lobbying Disclosure.* Any applicant institution that has paid or will pay for lobbying using any funds must submit an SF–LLL, ''Disclosure of Lobbying Activities,'' as required under 15 CFR Part 28, Appendix B.

(5) *Lower-Tier Certifications.* Recipients shall require applicant/bidder institutions for subgrants, contracts, subcontracts, or other lower tier covered transactions at any tier under the award to submit, if applicable, a completed Form CD–512, ''Certifications Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transactions and Lobbying'' and disclosure form, SF–LLL, ''Disclosure of Lobbying Activities.'' Form CD–512 is intended for the use of recipients and should not be transmitted to TA. SF–LLL submitted by any tier recipient or subrecipient should be submitted to TA in accordance with the instructions contained in the award document.

Name Check Reviews

All for-profit and non-profit applicants will be subject to a name check review process. Name checks are intended to reveal if any individuals associated with the applicant have been convicted of or are presently facing, criminal charges such as fraud, theft, perjury, or other matters which significantly reflect on the applicant's management honesty or financial integrity.

Preaward Activities

Applicants (or their institutions) who incur any costs prior to an award being made do so solely at their own risk of not being reimbursed by the Government. Notwithstanding any verbal assurance that may have been provided, there is no obligation on the part of TA to cover pre-award costs.

No Obligation for Future Funding

If an application is accepted for funding, TA has no obligation to provide any additional future funding in connection with that award. Renewal of an award to increase funding or extend the period of performance is at the total discretion of TA.

Past Performance

Unsatisfactory performance under prior Federal awards may result in an application not being considered for funding.

False Statements

A false statement on an application is grounds for denial or termination of funds, and grounds for possible punishment by a fine or imprisonment as provided in 18 U.S.C. 1001.

Waiver Authority

It is the general intent of TA not to waive any of the provisions set forth in this Notice. However, under extraordinary circumstances and when it is in the best interests of the federal government, TA, upon its own initiative or when requested, may waive the provisions in this Notice. Waivers may only be granted for requirements that are discretionary and not mandated by statute. Any request for a waiver must set forth the extraordinary circumstances for the request and be included in the application or sent to the address provided in the ''Addresses'' section above. The final determination will be made by the Selecting Official, the Under Secretary for Technology. TA will not consider a request to waive the application deadline for an application until the application has been received.

Delinquent Federal Debts

No award of Federal funds shall be made to an applicant who has an outstanding delinquent Federal debt until either:

(1) The delinquent account is paid in full,

(2) A negotiated repayment schedule is established and at least one payment is received, or

(3) Other arrangements satisfactory to DoC are made.

Indirect Costs

No Federal funds will be authorized for Indirect Costs (IDC); however, an applicant may provide for IDC under their portion of Cost Sharing.

The total dollar amount of the indirect costs proposed in an application under this program must not exceed the indirect cost rate negotiated and approved by a cognizant Federal agency prior to the proposed effective date of the award or 100 percent of the total proposed direct costs dollar amount in the application, whichever is less.

Purchase of American-Made Equipment and Products

Applicants are hereby notified that they are encouraged, to the greatest practicable extent, to purchase American-made equipment and products with funding provided under this program.

Paperwork Reduction Act

This notice involves collections of information subject to the Paperwork Reduction Act (PRA), which have been approved by the Office of Management and Budget (OMB) under OMB Control Numbers 0348–0043, 0348–0044, 0348–0040 and 0348–0046. Notwithstanding any other provision of law no person is required to respond to nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the PRA unless that collection displays a current valid OMB control number.

Federal Policies and Procedures

Recipients and subrecipients under the Experimental Program to Stimulate Competitive Technology (EPSoT) shall be subject to all Federal laws and Federal and Departmental regulations, policies, and procedures applicable to financial assistance awards.

Intergovernmenal Review

Applicants are reminded of the applicability of Executive Order 12372, ''Intergovernmental Review of Federal Programs.''

Executive Order Statement

This funding notice was determined to be ''significant'' for purposes of Executive Order 12866.

Gary R. Bachula,

Acting Under Secretary for Technology.

[FR Doc. 98–18660 Filed 7–13–98; 8:45 am]

BILLING CODE 3510–18–M

DEPARTMENT OF DEFENSE

Department of the Army

Proposed Finding of No Significant Impact (FONSI) for the M1 Abrams Main Battle Tank Heavy Armor System

AGENCY: U.S. Army Program Executive Office, Ground Combat & Support Systems, Warren, MI.

ACTION: Notice.

SUMMARY: In accordance with the National Environmental Policy Act (NEPA) of 1969 and Army Regulation (AR) 200–2, the proposed FONSI for the M1 Abrams Main Battle Tank Heavy Armor System is being published for comment.

The U.S. Army Program Executive Office, Ground Combat & Support Systems (PEO–GCSS) has prepared a draft Environmental Assessment for the M1 Abrams Main Battle Tank (MBT) Heavy Armor System. The current use of the depleted uranium (DU) armor package on the Abrams MBT has been re-evaluated to determine whether the environmental impacts of its continued use remain insignificant, taking into consideration the current use of the tank and the Nuclear Regulatory Commission's (NRC's) reduction in allowable radiation exposure from 500 mrem/year to 100 mrem/year for tank and maintenance crews (individual members of the public).

As in already-fielded weapon system, M1 MBTs have been in production and in the field since the early 1980s. During that time, many technical, environmental and health assessments have been completed. These documents have addressed and minimized environmental impacts. As part of the continuing analysis effort, this EA focuses specifically on the assembly, use, repair and disposal of the heavy armor package.

DATES: Comments must be received not later than August 28, 1998.

FOR FURTHER INFORMATION CONTACT: Questions concerning this proposed action should be submitted within 45 days of the date of this publication and directed to Mr. Dennis Sweers, Abrams Program Management Office, Program Executive Office, Ground Combat and Support Systems, ATTN: SFAE–GCSS–W–AB–SM, Warren, MI 48397–5000. Telephone number: (810) 574–7895, E-mail address: sweersd@cc.tacom.army.mil

SUPPLEMENTARY INFORMATION:

1. Purpose and Need for Proposed Action

The Abrams Tank System Program (Abrams), administered by the Project Manager, Abrams Tank System (PM Abrams) with support from the U.S. Army Tank-automotive and Armaments Command (TACOM), has been using Depleted Uranium (DU) armor on the Abrams Tank since 1988. In 1996, a design change to the armor package was made by the Army and cut-in to production by General Dynamics Land Systems (GDLS) via Change Request XMPP–2083 in Oct 96 and effective with Job #1 M1A2 Phase II AUT. The purpose of this revision to the Environmental Assessment (EA) is to assess the environmental impact of the change from the original DU armor design to this modified design. Additionally, although unrelated to this armor design change, since the last EA, the NRC's maximum radiation dose limits for individual members of the public has been change from 500 mrem per year to 100 mrem per year. This revision assesses the new design against these new dose limits.

B. The findings of the draft EA of the M1 Abrams MBT Heavy Army System support this FONSI. The assessment was conducted in keeping with the Army's environmental stewardship policy, to ensure that any potential environmental impacts are fully mitigated. The EA supports all related M1 Abrams MBT programs reviewed by the Defense Acquisition Board.

2. General Description of Action

A. Under the proposed action, the use of the current depleted uranium (DU) armor package on the Abrams tank would be evaluated to determine whether the environmental impacts of its continued use remain insignificant, taking into consideration the current use of the tank, the armor package design change instituted in 1996 and changes in the NRC's radiation dose limits for individual members of the public. If it is determined that the environmental impacts of use of the DU armor package remain insignificant, PM Abrams will continue to produce the armor package through 2005.

B. The draft Heavy Armor System EA evaluates the following: tank assembly activities at Lima Army Tank Plant (LATP); field operations including crew maintenance, field support maintenance and depot maintenance; and demilitarization. All DU issues which are not the direct responsibility of PM Abrams are not covered in the EA, but have been covered in previous assessments.

C. In summary, the DU is fabricated into armor packages by a contractor to the Department of Energy. The contractor ships the assembled armor packages to LATP for installation in the

tanks. At LATP, the armor packages remain in the transportation containers until they are ready to be inserted into the tank. Following installation of the armor package and other tank components, the completed tanks are transported to military units as required for field use. Field use consists primarily of training exercises and varying levels of maintenance performed either by the tank operating crew or a field maintenance crew. Some maintenance, including major repairs, is conducted at maintenance depots by dedicated crews. At some point in the future, the tanks will be removed from service, demilitarized, and dispositioned.

D. The impacts of the use of DU armor are central to the question of whether the impacts of continued use of the M1 Abrams MBT remains insignificant. The sue of DU armor is the primary feature that distinguishes the Abrams tank from numerous other commonly accepted equipment employed by the military and industry. Conventionally-armored military vehicles and heavy equipment, similar to tanks, are commonly operated by the Army and industry in a manner that is considered by the public to be acceptable and with insignificant impact on the human environment. Consequently, in conformance with the procedural requirements of the National Environmental Policy Act (NEPA) this Environmental Assessment (EA) has focused strictly on the use of DU armor.

3. Anticipated Environmental Effects

A. The MI Abrams MBT Heavy Armor System will be assembled, transported, maintained, and disposed of in accordance with applicable environmental protection regulations. The PM Abrams has performed an in-depth study of exposure scenarios for affected personnel and has found that, in all instances, the maximum potential exposure to radiation from the Heavy Armor System will fall well under the 100 mrem/year NRC limit.

B. The PM Abrams has determined that the potential for adverse environmental impacts of the use and disposal of the Heavy Armor package occur only if the outer armor integrity has been compromised or if a large number of rounds are fired into the tank. In this instance, however, decontamination measures can be limited to a 76-meter area downwind of the impact site (for a worst-case scenario). The concentration of the aerosol in the passing cloud does not exceed the guidelines for the general population as set forth in 10 CFR Part 20.

C. The PM Abrams will continue to assess alternative procedures and materials for opportunities to replace the DU used for the Heavy Armor System and to proactively implement environmental improvements to the program in other areas.

4. Facts and Conclusions

A. Operations at LATP are conducted in accordance with their Radiation Protection Plan and personnel exposures are controlled within the regulatory limits. Potential hazards have been identified and evaluated and appropriate preventive measures have been taken. Efforts have been made to reduce radiation exposures below the limits and to minimize the number of personnel subjected to radiation exposure.

B. Transportation of completed tanks from LATP to field organizations for use is conducted in compliance with Department of Transportation requirements for the transportation of articles containing depleted uranium. Compliance with Department of Transportation requirements assures appropriate protection of the involved personnel and members of the general public from the potential radiation and other hazards associated with transportation.

C. Storage and Parking of tanks at field installations has been evaluated and it has been determined that there is no reasonable potential for exposure of personnel or the general public to radiation exposures exceeding the limits allowed for members of the general public.

D. Fields use of the Abrams Tank with Heavy Armor has been evaluated and it has been determined that appropriate controls exist in the form of vehicle design, vehicle use, and vehicle maintenance to assure that radiation exposure to involved personnel and the general public is maintained within the required regulatory limits and that efforts have been made to reduce radiation exposures below the limits.

E. The environmental effects of accidents involving the release of DU have been evaluated and appropriate actions have been identified to assure mitigation and minimize the potential for environmental damage.

F. Means have been identified and agreements have been made that assure that the DU is properly managed and controlled during and following demilitarization.

G. Means have been identified and agreements have been made that assure that all DU wastes generated by the Abrams Heavy Armor System are properly managed and disposed.

5. Determination

Based on the analyses of the draft EA, the use of DU armor from its receipt by the Abrams program through disposition of the material following future demilitarization of the Abrams tanks, including reasonably foreseeable accidents, do not constitute a major Federal action significantly affecting the quality of the human environment within the meaning of the NEPA. Therefore, an Environmental Impact Statement for the proposed action is not required.

Gregory D. Showalter,

Army Federal Register Liaison Officer.

[FR Doc. 98–18674 Filed 7–13–98; 8:45 am]

BILLING CODE 3710–08–M

DEPARTMENT OF DEFENSE

Office of the Secretary

Defense Intelligence Agency, Science and Technology Advisory Board Closed Panel Meeting

AGENCY: Department of Defense, Defense Intelligence Agency.

ACTION: Notice.

SUMMARY: Pursuant to the provisions of Subsection (d) of Section 10 of Pub. L. 92–463, as amended by Section 5 of Pub. L. 94–409, notice is hereby given that a closed meeting of the DIA Science and Technology Advisory Board has been scheduled as follows:

DATES: 24 July 1998 (800am to 1600pm).

ADDRESSES: The Defense Intelligence Agency, Bolling AFB, Washington, DC 20340–5100.

FOR FURTHER INFORMATION CONTACT:

Maj Michael W. Lamb, USAF, Executive Secretary, DIA Science and Technology Advisory Board, Washington, DC 20340–1328 (202) 231–4930.

SUPPLEMENTARY INFORMATION: The entire meeting is devoted to the discussion of classified information as defined in Section 552b(c)(I), Title 5 of the U.S. Code and therefore will be closed to the public. The Board will receive briefings on and discuss several current critical intelligence issues and advised the Director, DIA, on related scientific and technical matters.

Dated: July 8, 1998.

L.M. Bynum,

Alternate OSD Federal Register, Liaison Officer, Department of Defense.

[FR Doc. 98–18618 Filed 7–13–98; 8:45 am]

BILLING CODE 5000–04–M

DEPARTMENT OF DEFENSE

Defense Logistics Agency

Privacy Act of 1974; System of Records

AGENCY: Defense Logistics Agency, DoD.
ACTION: Altering a system of records.

SUMMARY: The Defense Logistics Agency proposes to alter a system of records notice in its inventory of record systems subject to the Privacy Act of 1974 (5 U.S.C. 552a), as amended. The alterations consists of adding a category of records to the system of records.

DATES: The alteration will be effective without further notice on August 10, 1998, unless comments are received that would result in a contrary determination.

ADDRESSES: Send comments to the Privacy Act Officer, Defense Logistics Agency, DLA-CAAV, 8725 John J. Kingman Road, Suite 2533, Fort Belvoir, VA 22060–6221.

FOR FURTHER INFORMATION CONTACT: Ms. Susan Salus at (703) 767–6183.

SUPPLEMENTARY INFORMATION: The Defense Logistics Agency notices for systems of records subject to the Privacy Act of 1974 (5 U.S.C. 552a), as amended, have been published in the Federal Register and are available from the address above.

An altered system report, as required by 5 U.S.C. 552a(r) of the Privacy Act was submitted on June 30, 1998, to the House Committee on Government Reform and Oversight, the Senate Committee on Governmental Affairs, and the Office of Management and Budget (OMB) pursuant to paragraph 4c of Appendix I to OMB Circular No. A–130, 'Federal Agency Responsibilities for Maintaining Records About Individuals,' dated February 8, 1996, (February 20, 1996, 61 FR 6427). The specific changes to the record system are set forth below followed by the system notice, as altered, in its entirety.

Dated: July 8, 1998.

L. M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

S322.10 DMDC

SYSTEM NAME:

Defense Manpower Data Center Data Base *(October 27, 1997, 62 FR 55609).*

CHANGES:

* * * * *

CATEGORIES OF RECORDS IN THE SYSTEM:

Add to the entry 'Military drug test records containing the Social Security Number, date of specimen collection, date test results reported, reason for test, test results, base/area code, unit, service, status (active/reserve), and location code of testing laboratory.'

* * * * *

PURPOSE(S):

Add to the entry 'Military drug test records will be maintained and used to conduct longitudinal, statistical, and analytical studies and computing demographic reports on military personnel. No personal identifiers will be included in the demographic data reports. All requests for Service-specific drug testing demographic data will be approved by the Service designated drug testing program office. All requests for DoD-wide drug testing demographic data will be approved by the DoD Coordinator for Drug Enforcement Policy and Support, 1510 Defense Pentagon, Washington, DC 20301-1510.'

* * * * *

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

Add a new paragraph '**Note:** Military drug test information involving individuals participating in a drug abuse rehabilitation program shall be confidential and be disclosed only for the purposes and under the circumstances expressly authorized in 42 U.S.C. 290dd–2. This statute takes precedence over the Privacy Act of 1974, in regard to accessibility of such records except to the individual to whom the record pertains. The Army's 'Blanket Routine Uses' *do not* apply to these types records.'

* * * * *

S322.10 DMDC

SYSTEM NAME:

Defense Manpower Data Center Data Base.

SYSTEM LOCATION:

Primary location - W.R. Church Computer Center, Naval Postgraduate School, Monterey, CA 93943–5000.

Back-up files maintained in a bank vault in Hermann Hall, Naval Postgraduate School, Monterey, CA 93943–5000.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

All uniformed services officers and enlisted personnel who served on active duty from July 1, 1968, and after or who have been a member of a reserve component since July 1975; retired military personnel; participants in Project 100,000 and Project Transition, and the evaluation control groups for these programs. All individuals examined to determine eligibility for military service at an Armed Forces Entrance and Examining Station from July 1, 1970, and later.

DoD civilian employees since January 1, 1972.

All veterans who have used the GI Bill education and training employment services office since January 1, 1971. All veterans who have used GI Bill education and training entitlements, who visited a state employment service office since January 1, 1971, or who participated in a Department of Labor special program since July 1, 1971. All individuals who ever participated in an educational program sponsored by the U.S. Armed Forces Institute and all individuals who ever participated in the Armed Forces Vocational Aptitude Testing Programs at the high school level since September 1969.

Individuals who responded to various paid advertising campaigns seeking enlistment information since July 1, 1973; participants in the Department of Health and Human Services National Longitudinal Survey.

Individuals responding to recruiting advertisements since January 1987; survivors of retired military personnel who are eligible for or currently receiving disability payments or disability income compensation from the Department of Veteran Affairs; surviving spouses of active or retired deceased military personnel; 100% disabled veterans and their survivors.

Individuals receiving disability compensation from the Department of Veteran Affairs or who are covered by a Department of Veteran Affairs' insurance or benefit program; dependents of active duty military retirees, selective service registrants.

Individuals receiving a security background investigation as identified in the Defense Central Index of Investigation. Former military and civilian personnel who are employed by DoD contractors and are subject to the provisions of 10 U.S.C. 2397.

All Federal Civil Service employees.

All non-appropriated funded individuals who are employed by the Department of Defense.

Individuals who were or may have been the subject of tests involving chemical or biological human-subject testing; and individuals who have inquired or provided information to the Department of Defense concerning such testing.

CATEGORIES OF RECORDS IN THE SYSTEM:

Computerized personnel/employment/pay records consisting of name, Service Number, Selective Service Number, Social Security

Number, compensation data, demographic information such as home town, age, sex, race, and educational level; civilian occupational information; civilian and military acquisition work force warrant location, training and job specialty information; military personnel information such as rank, length of service, military occupation, aptitude scores, post-service education, training, and employment information for veterans; participation in various inservice education and training programs; military hospitalization and medical treatment, immunization, and pharmaceutical dosage records; home and work addresses; and identities of individuals involved in incidents of child and spouse abuse, and information about the nature of the abuse and services provided.

CHAMPUS claim records containing enrollee, patient and health care facility, provided data such as cause of treatment, amount of payment, name and Social Security or tax identification number of providers or potential providers of care.

Selective Service System registration data.

Department of Veteran Affairs disability payment records.

Credit or financial data as required for security background investigations.

Criminal history information on individuals who subsequently enter the military.

Office of Personnel Management (OPM) Central Personnel Data File (CPDF), an extract from OPM/GOVT–1, General Personnel Records, containing employment/personnel data on all Federal employees consisting of name, Social Security Number, date of birth, sex, work schedule (full-time, part-time, intermittent), annual salary rate (but not actual earnings), occupational series, position occupied, agency identifier, geographic location of duty station, metropolitan statistical area, and personnel office identifier. Extract from OPM/CENTRAL–1, Civil Service Retirement and Insurance Records, containing Civil Service Claim number, date of birth, name, provision of law retired under, gross annuity, length of service, annuity commencing date, former employing agency and home address. These records provided by OPM for approved computer matching.

Non-appropriated fund employment/personnel records consist of Social Security Number, name, and work address.

Military drug test records containing the Social Security Number, date of specimen collection, date test results reported, reason for test, test results, base/area code, unit, service, status (active/reserve), and location code of testing laboratory.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

5 U.S.C. 301, Departmental Regulations; 5 U.S.C. App. 3 (Pub.L. 95–452, as amended (Inspector General Act of 1978)); 10 U.S.C. 136, Under Secretary of Defense for Personnel and Readiness; 10 U.S.C. 2358, Research and Development Projects; and E.O. 9397 (SSN).

PURPOSE(S):

The purpose of the system of records is to provide a single central facility within the Department of Defense to assess manpower trends, support personnel and readiness functions, to perform longitudinal statistical analyses, identify current and former DoD civilian and military personnel for purposes of detecting fraud and abuse of pay and benefit programs, to register current and former DoD civilian and military personnel and their authorized dependents for purposes of obtaining medical examination, treatment or other benefits to which they are qualified, and to collect debts owed to the United States Government and state and local governments.

Information will be used by agency officials and employees, or authorized contractors, and other DoD Components in the preparation of the histories of human chemical or biological testing or exposure; to conduct scientific studies or medical follow-up programs; to respond to Congressional and Executive branch inquiries; and to provide data or documentation relevant to the testing or exposure of individuals

All records in this record system are subject to use in authorized computer matching programs within the Department of Defense and with other Federal agencies or non-Federal agencies as regulated by the Privacy Act of 1974, as amended, (5 U.S.C. 552a).

Military drug test records will be maintained and used to conduct longitudinal, statistical, and analytical studies and computing demographic reports on military personnel. No personal identifiers will be included in the demographic data reports. All requests for Service-specific drug testing demographic data will be approved by the Service designated drug testing program office. All requests for DoD-wide drug testing demographic data will be approved by the DoD Coordinator for Drug Enforcement Policy and Support, 1510 Defense Pentagon, Washington, DC 20301–1510.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act, these records or information contained therein may specifically be disclosed outside the DoD as a routine use pursuant to 5 U.S.C. 552a(b)(3) as follows:

1. To the Department of Veteran Affairs (DVA):

a. To provide military personnel and pay data for present and former military personnel for the purpose of evaluating use of veterans benefits, validating benefit eligibility and maintaining the health and well being of veterans.

b. To provide identifying military personnel data to the DVA and its insurance program contractor for the purpose of notifying separating eligible Reservists of their right to apply for Veteran's Group Life Insurance coverage under the Veterans Benefits Improvement Act of 1996 (38 U.S.C. 1968).

c. To register eligible veterans and their dependents for DVA programs.

d. To conduct computer matching programs regulated by the Privacy Act of 1974, as amended (5 U.S.C. 552a), for the purpose of:

(1) Providing full identification of active duty military personnel, including full-time National Guard/Reserve support personnel, for use in the administration of DVA's Compensation and Pension benefit program. The information is used to determine continued eligibility for DVA disability compensation to recipients who have returned to active duty so that benefits can be adjusted or terminated as required and steps taken by DVA to collect any resulting over payment (38 U.S.C. 5304(c)).

(2) Providing military personnel and financial data to the Veterans Benefits Administration, DVA for the purpose of determining initial eligibility and any changes in eligibility status to insure proper payment of benefits for GI Bill education and training benefits by the DVA under the Montgomery GI Bill (Title 10 U.S.C., Chapter 1606 – Selected Reserve and Title 38 U.S.C., Chapter 30 – Active Duty). The administrative responsibilities designated to both agencies by the law require that data be exchanged in administering the programs.

(3) Providing identification of reserve duty, including full-time support National Guard/Reserve military personnel, to the DVA, for the purpose of deducting reserve time served from any DVA disability compensation paid or waiver of VA benefit. The law (10

U.S.C. 12316) prohibits receipt of reserve pay and DVA compensation for the same time period, however, it does permit waiver of DVA compensation to draw reserve pay.

(4) Providing identification of former active duty military personnel who received separation payments to the DVA for the purpose of deducting such repayment from any DVA disability compensation paid. The law requires recoupment of severance payments before DVA disability compensation can be paid (10 U.S.C. 1174).

(5) Providing identification of former military personnel and survivor's financial benefit data to DVA for the purpose of identifying military retired pay and survivor benefit payments for use in the administration of the DVA's Compensation and Pension program (38 U.S.C. 5106). The information is to be used to process all DVA award actions more efficiently, reduce subsequent overpayment collection actions, and minimize erroneous payments.

2. To the Office of Personnel Management (OPM):

a. Consisting of personnel/employment/financial data for the purpose of carrying out OPM's management functions. Records disclosed concern pay, benefits, retirement deductions and any other information necessary for those management functions required by law (Pub.L. 83–598, 84–356, 86–724, 94–455 and 5 U.S.C. 1302, 2951, 3301, 3372, 4118, 8347).

b. To conduct computer matching programs regulated by the Privacy Act of 1974, as amended (5 U.S.C. 552a) for the purpose of:

(1) Exchanging personnel and financial information on certain military retirees, who are also civilian employees of the Federal government, for the purpose of identifying those individuals subject to a limitation on the amount of military retired pay they can receive under the Dual Compensation Act (5 U.S.C. 5532), and to permit adjustments of military retired pay by the Defense Finance and Accounting Service and to take steps to recoup excess of that permitted under the dual compensation and pay cap restrictions.

(2) Exchanging personnel and financial data on civil service annuitants (including disability annuitants under age 60) who are reemployed by DoD to insure that annuities of DoD reemployed annuitants are terminated where applicable, and salaries are correctly offset where applicable as required by law (5 U.S.C. 8331, 8344, 8401 and 8468).

(3) Exchanging personnel and financial data to identify individuals who are improperly receiving military retired pay and credit for military service in their civil service annuities, or annuities based on the 'guaranteed minimum' disability formula. The match will identify and/or prevent erroneous payments under the Civil Service Retirement Act (CSRA) 5 U.S.C. 8331 and the Federal Employees' Retirement System Act (FERSA) 5 U.S.C. 8411. DoD's legal authority for monitoring retired pay is 10 U.S.C. 1401.

(4) Exchanging civil service and Reserve military personnel data to identify those individuals of the Reserve forces who are employed by the Federal government in a civilian position. The purpose of the match is to identify those particular individuals occupying critical positions as civilians and cannot be released for extended active duty in the event of mobilization. Employing Federal agencies are informed of the reserve status of those affected personnel so that a choice of terminating the position or the reserve assignment can be made by the individual concerned. The authority for conducting the computer match is contained in E.O. 11190, Providing for the Screening of the Ready Reserve of the Armed Services.

3. To the Internal Revenue Service (IRS) for the purpose of obtaining home addresses to contact Reserve component members for mobilization purposes and for tax administration. For the purpose of conducting aggregate statistical analyses on the impact of DoD personnel of actual changes in the tax laws and to conduct aggregate statistical analyses to lifestream earnings of current and former military personnel to be used in studying the comparability of civilian and military pay benefits. To aid in administration of Federal Income Tax laws and regulations, to identify non-compliance and delinquent filers.

4. To the Department of Health and Human Services (DHHS):

a. To the Office of the Inspector General, DHHS, for the purpose of identification and investigation of DoD employees and military members who may be improperly receiving funds under the Aid to Families of Dependent Children Program.

b. To the Office of Child Support Enforcement, Federal Parent Locator Service, DHHS, pursuant to 42 U.S.C. 653 and 653a; to assist in locating individuals for the purpose of establishing parentage; establishing, setting the amount of, modifying, or enforcing child support obligations; or enforcing child custody or visitation orders; and for conducting computer matching as authorized by E.O. 12953 to facilitate the enforcement of child support owed by delinquent obligors within the entire civilian Federal government and the Uniformed Services work force (active and retired). Identifying delinquent obligors will allow State Child Support Enforcement agencies to commence wage withholding or other enforcement actions against the obligors.

Note 1: Information requested by DHHS is not disclosed when it would contravene U.S. national policy or security interests (42 U.S.C. 653(e)).

Note 2: Quarterly wage information is not disclosed for those individuals performing intelligence or counter-intelligence functions and a determination is made that disclosure could endanger the safety of the individual or compromise an ongoing investigation or intelligence mission (42 U.S.C. 653(n)).

c. To the Health Care Financing Administration (HCFA), DHHS for the purpose of monitoring HCFA reimbursement to civilian hospitals for Medicare patient treatment. The data will ensure no Department of Defense physicians, interns or residents are counted for HCFA reimbursement to hospitals.

d. To the Center for Disease Control and the National Institutes of Mental Health, DHHS, for the purpose of conducting studies concerned with the health and well being of the active duty and veteran population.

5. To the Social Security Administration (SSA):

a. To the Office of Research and Statistics for the purpose of conducting statistical analyses of impact of military service and use of GI Bill benefits on long term earnings.

b. To the Bureau of Supplemental Security Income to conduct computer matching programs regulated by the Privacy Act of 1974, as amended (5 U.S.C. 552a), for the purpose of verifying information provided to the SSA by applicants and recipients who are retired military members or their survivors for Supplemental Security Income (SSI) benefits. By law (42 U.S.C. 1383) the SSA is required to verify eligibility factors and other relevant information provided by the SSI applicant from independent or collateral sources and obtain additional information as necessary before making SSI determinations of eligibility, payment amounts or adjustments thereto.

6. To the Selective Service System (SSS) for the purpose of facilitating compliance of members and former members of the Armed Forces, both active and reserve, with the provisions

of the Selective Service registration regulations (50 U.S.C. App. 451 and E.O. 11623).

7. To DoD Civilian Contractors and grantees for the purpose of performing research on manpower problems for statistical analyses.

8. To the Department of Labor (DOL) to reconcile the accuracy of unemployment compensation payments made to former DoD civilian employees and military members by the states. To the Department of Labor to survey military separations to determine the effectiveness of programs assisting veterans to obtain employment.

9. To the U.S. Coast Guard (USCG) of the Department of Transportation (DOT) to conduct computer matching programs regulated by the Privacy Act of 1974, as amended (5 U.S.C. 552a), for the purpose of exchanging personnel and financial information on certain retired USCG military members, who are also civilian employees of the Federal government, for the purpose of identifying those individuals subject to a limitation on the amount of military pay they can receive under the Dual Compensation Act (5 U.S.C. 5532), and to permit adjustments of military retired pay by the U.S. Coast Guard and to take steps to recoup excess of that permitted under the dual compensation and pay cap restrictions.

10. To the Department of Housing and Urban Development (HUD) to provide data contained in this record system that includes the name, Social Security Number, salary and retirement pay for the purpose of verifying continuing eligibility in HUD's assisted housing programs maintained by the Public Housing Authorities (PHAs) and subsidized multi-family project owners or management agents. Data furnished will be reviewed by HUD or the PHAs with the technical assistance from the HUD Office of the Inspector General (OIG) to determine whether the income reported by tenants to the PHA or subsidized multi-family project owner or management agent is correct and complies with HUD and PHA requirements.

11. To Federal and Quasi-Federal agencies, territorial, state, and local governments to support personnel functions requiring data on prior military service credit for their employees or for job applications. To determine continued eligibility and help eliminate fraud and abuse in benefit programs and to collect debts and over payments owed to these programs. To assist in the return of unclaimed property or assets escheated to states of civilian employees and military member and to provide members and former members with information and assistance regarding various benefit entitlements, such as state bonuses for veterans, etc. Information released includes name, Social Security Number, and military or civilian address of individuals. To detect fraud, waste and abuse pursuant to the authority contained in the Inspector General Act of 1978, as amended (Pub.L. 95–452) for the purpose of determining eligibility for, and/or continued compliance with, any Federal benefit program requirements.

12. To private consumer reporting agencies to comply with the requirements to update security clearance investigations of DoD personnel.

13. To consumer reporting agencies to obtain current addresses of separated military personnel to notify them of potential benefits eligibility.

14. To Defense contractors to monitor the employment of former DoD employees and members subject to the provisions of 41 U.S.C. 423.

15. To financial depository institutions to assist in locating individuals with dormant accounts in danger of reverting to state ownership by escheatment for accounts of DoD civilian employees and military members.

16. To any Federal, state or local agency to conduct authorized computer matching programs regulated by the Privacy Act of 1974, as amended, (5 U.S.C. 552a) for the purposes of identifying and locating delinquent debtors for collection of a claim owed the Department of Defense or the Unites States Government under the Debt Collection Act of 1982 (Pub.L. 97–365) and the Debt Collection Improvement Act of 1996 (Pub.L. 104–134).

17. To state and local law enforcement investigative agencies to obtain criminal history information for the purpose of evaluating military service performance and security clearance procedures (10 U.S.C. 2358).

18. To the United States Postal Service to conduct computer matching programs regulated by the Privacy Act of 1974, as amended (5 U.S.C. 552a), for the purposes of:

a. Exchanging civil service and Reserve military personnel data to identify those individuals of the Reserve forces who are employed by the Federal government in a civilian position. The purpose of the match is to identify those particular individuals occupying critical positions as civilians and who cannot be released for extended active duty in the event of mobilization. The Postal Service is informed of the reserve status of those affected personnel so that a choice of terminating the position on the reserve assignment can be made by the individual concerned. The authority for conducting the computer match is contained in E.O. 11190, Providing for the Screening of the Ready Reserve of the Armed Forces.

b. Exchanging personnel and financial information on certain military retirees who are also civilian employees of the Federal government, for the purpose of identifying those individuals subject to a limitation on the amount of retired military pay they can receive under the Dual Compensation Act (5 U.S.C. 5532), and permit adjustments to military retired pay to be made by the Defense Finance and Accounting Service and to take steps to recoup excess of that permitted under the dual compensation and pay cap restrictions.

19. To the Armed Forces Retirement Home (AFRH), which includes the United States Soldier's and Airmen's Home (USSAH) and the United States Naval Home (USNH) for the purpose of verifying Federal payment information (military retired or retainer pay, civil service annuity, and compensation from the Department of Veterans Affairs) currently provided by the residents for computation of their monthly fee and to identify any unreported benefit payments as required by the Armed Forces Retirement Home Act of 1991, Pub.L. 101-510 (24 U.S.C. 414).

20. To Federal and Quasi-Federal agencies, territorial, state and local governments, and contractors and grantees for the purpose of supporting research studies concerned with the health and well being of the active duty and veteran population. DMDC will disclose information from this system of records for research purposes when DMDC:

a. has determined that the use or disclosure does not violate legal or policy limitations under which the record was provided, collected, or obtained;

b. has determined that the research purpose (1) cannot be reasonably accomplished unless the record is provided in individually identifiable form, and (2) warrants the risk to the privacy of the individual that additional exposure of the record might bring;

c. has required the recipient to (1) establish reasonable administrative, technical, and physical safeguards to prevent unauthorized use or disclosure of the record, and (2) remove or destroy the information that identifies the individual at the earliest time at which removal or destruction can be accomplished consistent with the purpose of the research project, unless the recipient has presented adequate

justification of a research or health nature for retaining such information, and (3) make no further use or disclosure of the record except (A) in emergency circumstances affecting the health or safety of any individual, (B) for use in another research project, under these same conditions, and with written authorization of the Department, (C) for disclosure to a properly identified person for the purpose of an audit related to the research project, if information that would enable research subjects to be identified is removed or destroyed at the earliest opportunity consistent with the purpose of the audit, or (D) when required by law;

d. has secured a written statement attesting to the recipient's understanding of, and willingness to abide by these provisions.

21. To the Educational Testing Service, American College Testing, and like organizations for purposes of obtaining testing, academic, socioeconomic, and related demographic data so that analytical personnel studies of the Department of Defense civilian and military workforce can be conducted.

Note 3: Data obtained from such organizations and used by DoD does not contain any information which identifies the individual about whom the data pertains.

The 'Blanket Routine Uses' set forth at the beginning of the DLA compilation of record system notices apply to this record system.

Note 4: Military drug test information involving individuals participating in a drug abuse rehabilitation program shall be confidential and be disclosed only for the purposes and under the circumstances expressly authorized in 42 U.S.C. 290dd–2. This statute takes precedence over the Privacy Act of 1974, in regard to accessibility of such records except to the individual to whom the record pertains. The DLA's 'Blanket Routine Uses' *do not* apply to these types records.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Electronic storage media.

RETRIEVABILITY:

Retrieved by name, Social Security Number, occupation, or any other data element contained in system.

SAFEGUARDS:

W.R. Church Computer Center - Tapes are stored in a locked cage in a controlled access area; tapes can be physically accessed only by computer center personnel and can be mounted for processing only if the appropriate security code is provided.

Back-up location - Tapes are stored in a bank-type vault; buildings are locked after hours and only properly cleared and authorized personnel have access.

RETENTION AND DISPOSAL:

Disposition pending.

SYSTEM MANAGER(S) AND ADDRESS:

Deputy Director, Defense Manpower Data Center, DoD Center Monterey Bay, 400 Gigling Road, Seaside, CA 93955–6771.

NOTIFICATION PROCEDURE:

Individuals seeking to determine whether this system of records contains information about themselves should address written inquiries to the Privacy Act Officer, Headquarters, Defense Logistics Agency, ATTN: CAAR, 8725 John J. Kingman Road, Suite 2533, Fort Belvoir, VA 22060–6221.

Written requests should contain the full name, Social Security Number, date of birth, and current address and telephone number of the individual.

RECORD ACCESS PROCEDURES:

Individuals seeking access to records about themselves contained in this system of records should address inquiries to the Privacy Act Officer, Headquarters, Defense Logistics Agency, ATTN: CAAR, 8725 John J. Kingman Road, Suite 2533, Fort Belvoir, VA 22060–6221.

Written requests should contain the full name, Social Security Number, date of birth, and current address and telephone number of the individual.

CONTESTING RECORD PROCEDURES:

The DLA rules for accessing records, for contesting contents and appealing initial agency determinations are contained in DLA Regulation 5400.21, 32 CFR part 323, or may be obtained from the Privacy Act Officer, Headquarters, Defense Logistics Agency, ATTN: CAAR, 8725 John J. Kingman Road, Suite 2533, Fort Belvoir, VA 22060–6221.

RECORD SOURCE CATEGORIES:

The military services, the Department of Veteran Affairs, the Department of Education, Department of Health and Human Services, from individuals via survey questionnaires, the Department of Labor, the Office of Personnel Management, Federal and Quasi-Federal agencies, and the Selective Service System.

EXEMPTIONS CLAIMED FOR THE SYSTEM:

None.

[FR Doc. 98–18619 Filed 7–13–98; 8:45 am]

BILLING CODE 5000–04–F

DEPARTMENT OF DEFENSE

Department of the Army; Corps of Engineers

Review of Draft Scoping Document, Devils Lake, North Dakota, Emergency Outlet

AGENCY: U.S. Army Corps of Engineers, DoD.

ACTION: Notice of availability.

SUMMARY: A Notice of Intent to prepare an Environmental impact Statement for an outlet from Devils Lake to the Sheyenne River in North Dakota was published in the **Federal Register** on 21 October 1997.

As part of the National Environmental Policy Act process, the Corps of Engineers has conducted agency and public meetings on the project. Based on the results of those meetings and comments received in response to the meetings, the Corps of Engineers has prepared a draft Scoping Document for the project. The Scoping Document identifies the concerns and alternatives that will be addressed in the Environmental impact Statement and defines the geographic scope of the study.

The draft Scoping Document is being distributed for public and agency review, after which a final Scoping Document will be prepared. The comment period and the address for submitting comments will be identified in the document. We anticipate the comment period will end about 28 August 1998.

FOR FURTHER INFORMATION CONTACT: Questions concerning the Scoping Document can be directed to: Lieutenant Colonel William J. Breyfogle, District Engineer, St. Paul District, Corps of Engineers, ATTN: Mr. Robert Whiting, 190 Fifth Street East, St. Paul, Minnesota 55101–1638.

SUPPLEMENTARY INFORMATION: We anticipate that the Draft Environmental Impact Statement will be available to the public in the fall of 1999. The Environmental Impact Statement would be supplemented as appropriate.

Dated: June 26, 1998.

William J. Breyfogle,

Lieutenant Colonel, Corps of Engineers, District Engineer.

[FR Doc. 98–18675 Filed 7–13–98; 8:45 am]

BILLING CODE 3710–CY–M

DEPARTMENT OF DEFENSE

Department of the Army, Corps of Engineers

Availability of the Joint Draft Environmental Impact Statement/ Environmental Impact Report (DEIS/ EIR) for the Santa Fe and Whittier Narrows Dams Water Conservation and Supply Study, Los Angeles County, California

AGENCY: U.S. Army Corps of Engineers (Corps), Los Angeles District, DOD.

ACTION: Notice of availability.

SUMMARY: The U.S. Army Corps of Engineers has prepared a joint DEIS/EIR and Feasibility Report with the Los Angeles County Department of Public Works (LACDPW) for the Santa Fe and Whittier Narrows Dams Water Conservation and Supply Study, in Los Angeles County, California. Santa Fe and Whittier Narrows Dams are two of the five Federal flood control dams in the Los Angeles County Drainage Area. Santa Fe Dam is located in the northeastern San Gabriel Valley on the San Gabriel River about four miles below the mouth of San Gabriel Canyon. Bordering communities include Irwindale, Baldwin Park, Duarte, and Azusa. Whittier Narrows Dam is located approximately seven miles downstream of Santa Fe Dam and spans both the San Gabriel River and the Rio Hondo. Flood control is the primary purpose for both dams. A water conservation pool has been authorized at Whittier Narrows Dam at elevation 201.6 feet. No water conservation pool currently exists at Santa Fe Dam. Both dams also include extensive recreational facilities and wildlife management or nature study areas. The proposed action considered in this DEIS/EIR involves the temporary storage of water in the reservoirs at Santa Fe and Whittier Narrows Dams after the main flood season has passed during the flood season when flood forecasting predicts that there would be no reasonable expectation of additional rainfall at the end of a storm. The stored water would be released at a slower rate to recharge for spreading basins associated with each dam. The proposed water conservation project would not reduce the effectiveness of either dam to provide flood protection.

The preferred alternative at Santa Fe Dam would establish a buffer pool and seasonal pool at elevation 463.0 feet. Historic records indicate that inundation to elevation 463.0 feet is frequent enough to provide substantial water yields for cost-effective downstream ground water discharge. An interior levee would be constructed to protect recreation and Wildlife Management areas from inundation. The bottom of the levee would be at elevation 446.8 feet nearest the toe of the dam, and the top of the levee would be at elevation 466.0 feet. The top of the levee would be armored to eliminate the need for overtopping protection. The average annual water yield increase for this alternative is estimated at 2,400 acre feet (AF).

The preferred alternative at Whittier Narrows Dam would use the existing 201.6-foot elevation water conservation pool for water conservation whenever significant amounts of water are available and not precluded by other constraints. In addition, a buffer pool and seasonal pool would be established at elevation 209 feet. Protective measures for motors at the water reclamation plant and mitigation for 18 oil wells would be included. Approximately 951 feet (331 Meters) of Durfee Road would need to be raised to elevation 212 feet, which includes three feet for overtopping protection, to maintain traffic flow when water is stored at the maximum seasonal or buffer pool elevation. The average annual water yield increase for this alternative is estimated at 3,500 AF.

Anticipated significant environmental impacts include loss of alluvial scrub habitat at Santa Fe Dam and increased sedimentation at Whittier Narrows Dam. These impacts would be mitigated. No significant environmental health effects are expected to occur.

FOR FURTHER INFORMATION CONTACT: For further information on the Draft Feasibility Report, please contact Ms. Deborah Lamb, U.S. Army Corps of Engineers, Los Angeles District, Attn: CESPL–PD–WA, P.O. Box 532711, Los Angeles, California, 90053–2325, telephone (213) 452–3798. For further information on the Draft EIS/EIR, please contact Ms. Lois Goodman, U.S. Army Corps of Engineers, CESPL–PD–RL, P.O. Box 532711, Los Angeles, California, 90053–2325, telephone (213) 452–3869.

SUPPLEMENTARY INFORMATION: The Army Corps of Engineers has prepared a Draft EIS/EIR to assess the environmental effects associated with the proposed water conservation and supply at Santa Fe and Whittier Narrows Dams. The public will have the opportunity to comment on this Draft EIS/EIR before any action is taken to implement the proposed plan.

The Army Corps of Engineers conducted a scoping meeting prior to preparing the in the city of El Monte Draft EIS/EIR to aid in determining the significant environmental issues associated with the proposed action. The meeting was held in the city of El Monte, California, on March 23, 1995.

The Army Corps of Engineers will conduct a public hearing to receive comments on the Draft EIS/EIR in conjunction with the public meeting to present the Feasibility Report. The public hearing and meeting will take place at the El Monte Community Center, 3130 Tyler Avenue, El Monte, California, on August 12, 1998 from 7:00 PM to 9:00 PM. The location, date, and time of the public hearing and meeting will also be announced in the local media, and separate notice will be sent to all parties on the project mailing list.

Individuals and agencies may present oral or written comments relevant to the Draft EIS/EIR by attending the public hearing or by mailing comments to the Corps prior to August 28, 1998. Comments, suggestions, and requests to be placed on the mailing list for announcements should be sent to Ms. Lois Goodman, U.S. Army Corps of Engineers, CESPL–PD–RL, P.O. Box 532711, Los Angeles, CA 90053–2325.

Availability of the Draft EIS/EIR: Copies of the Draft EIS/EIR are availability for review at the following locations:

Baldwin Park Community Library, 4181 Baldwin Park Blvd., Baldwin Park, California

Pico Rivera Community Library, 9001 Mines Avenue, Pico Rivera, California

El Monte Community Library, 3224 Tyler Avenue, El Monte, California

Norwood Public Library, 4550 N Peck Road, EL Monte, California

South El Monte Community Library, 1430 N. Central Avenue, South El Monte, California

Duarte Community Library, 1301 Buena Vista Street, Duarte, California

South Whittier Community Library, 14433 Leffingwell Road, Whittier, California

Azusa City Library, 729 N. Dalton Avenue, Azusa, California

Irwindale Public Library, 5050 North Irwindale Avenue, Irwindale, California

West Covina Public Library, 1601 West Covina Parkway, West Covina, California

Los Angeles Public Library, Central Library, 630 W 5th Street, Los Angeles, California

U.S. Army Corps of Engineers, Los Angeles District, Environmental Resources Branch, 911 Wilshire Boulevard, 14th Floor, Los Angeles, California

Los Angeles County Department of Public Works, Planning Division, 900 South Fremont Avenue, 11th Floor, Alhambra, California

To obtain a copy of the Draft EIS/EIR, please contact Ms. Deborah Lamb, U.S. Army Corps of Engineers, Los Angeles District, Attn: CESPL–PD–WA, P.O. Box 532711, Los Angeles, California, 90053–2325, telephone (213) 452–3798. Please address written comments on the Draft EIS/EIR, to Ms. Lois Goodman, U.S. Army Corps of Engineers, Los Angeles District, Attn: CESPL–PD–RL, P.O. Box 532711, Los Angeles, California, 90053–2325, Fax number (213) 452–4204.

Dated: July 7, 1998.

Robert L. Davis,

Colonel, Corps of Engineers, District Engineer.

[FR Doc. 98–18676 Filed 7–13–98; 8:45 am]

BILLING CODE 3710–KF–M

DEPARTMENT OF DEFENSE

Department of the Navy

Record of Decision for the Disposal and Reuse of the Department of Defense Housing Facility Novato, California

SUMMARY: The Department of the Navy (Navy), pursuant to Section 102(2)(C) of the National Environmental Policy Act of 1969 (NEPA), 42 U.S.C. § 4332(2)(C), and the regulations of the Council on Environmental Quality that implement NEPA procedures, 40 CFR Parts 1500–1508, hereby announces its decision to dispose of the Department of Defense Housing Facility (DoDHF) at Novato, California.

Navy intends to dispose of the property in a manner that is consistent with the Hamilton Army Airfield Reuse Plan dated October 1995, as revised in November 1996 (Revised Reuse Plan). These plans address reuse of both DoDHF and the Department of the Army's adjacent Hamilton Army Airfield (HAA). The Hamilton Reuse Planning Authority (HRPA), the Local Redevelopment Authority (LRA) for the DoDHF property, prepared both the October 1995 Reuse Plan and the November 1996 Revised Reuse Plan. The City of Novato approved the Revised Reuse Plan in February 1996 and published it in November 1996.

The Revised Reuse Plan Alternative, identified in the Final Environmental Impact Statement (FEIS) as the Preferred Alternative, would implement the Revised Reuse Plan. The Preferred Alternative proposes an adaptive reuse of certain DoDHF buildings and the retention of existing land uses, *i.e.*, residential areas, community facilities, commercial activities, parkland, and open space.

In deciding to dispose of DoDHF Novato in a manner consistent with the Preferred Alternative, navy has determined that a mixed land use will meet the local economic redevelopment goals of providing housing and recreational resources while also limiting adverse environmental impacts and ensuring land uses that are compatible with adjacent property. This Record Of Decision does not mandate a specific mix of land uses. Rather, it leaves selection of the particular means to achieve the proposed redevelopment to the acquiring entity and the local zoning authority.

Background

The Department of Defense Housing Facility at Novato is located in the southeastern part of the City of Novato in Marin County, California, about 20 miles north of the City of San Francisco. The property covers an area of about 411 acres on two sites that are separated by United States Highway 101.

The 304-acre Main Site is located on the east side of U.S. Highway 101 and contains military family housing, a Commissary, a Navy Exchange, an Officers Club, community service areas, a bowling alley, and recreational fields. The 107-acre Rafael Village military family housing site is located on the west side of U.S. Highway 101, about one mile northwest of the Main Site. The 142-acre Spanish Housing area lies adjacent to the Main Site and was formerly part of the Main Site. Navy will transfer this property to the United States Coast Guard (Coast Guard).

The Hamilton Reuse Planning Authority developed a reuse plan for DoDHF Novato in October 1995. This plan, designated the Hamilton Army Airfield Reuse Plan, addressed reuse of both DoDHF and the adjacent Army Airfield. The Hamilton Army Airfield Reuse Plan proposed adaptive reuse of most of the existing housing and other buildings and retention of the existing land uses.

The Reuse Planning Authority revised the original HAA Reuse Plan to take account of changes in the Coast Guard's request for an interagency transfer of base closure property at DoDHF. The Revised Reuse Plan developed by HRPA incorporated the Coast Guard's revised request. It was approved by the City of Novato in February 1996 and published in November 1996. The Revised Reuse Plan, described in the FEIS as the Revised Reuse Plan Alternative, is the Preferred Alternative. The Department of the Army issued the Record Of Decision for the disposal and reuse of Hamilton Army Airfield on February 24, 1997.

Under the authority of the Defense Base Closure and Realignment Act of 1990, Public Law 101–510, 10 U.S.C. 2687 note, the 1993 Defense Base Closure and Realignment Commission recommended disestablishment of the Navy Public Works Center, San Francisco Bay, which included DoDHF Novato. The recommendation was approved by President Clinton and accepted by the One Hundred Third Congress in 1993. Navy closed the housing facilities at Novato on September 30, 1996.

During the Federal screening process for the Novato housing facilities, two Federal agencies, the Department of Veterans Affairs and the United States Coast Guard, expressed interest in property at DoDHF. The Department of Veterans Affairs initially requested an interagency transfer of 54 housing units at the Main Site but later withdrew its request. The Coast Guard, in its revised request, sought 282 housing units at the Spanish Housing area of the Main Site, and Navy will transfer the 142-acre property that contains these units to the Coast Guard. The remaining property is surplus to the needs of the Federal Government.

Navy published a Notice Of Intent in the **Federal Register** on October 31, 1995, announcing that Navy would prepare an Environmental Impact Statement (EIS) to analyze the impacts of disposal and reuse of the land, buildings, and infrastructure at DoDHF Novato. A public scoping meeting was held at San Marin High School in Novato on November 16, 1995, and the scoping process ended on December 1, 1995.

On January 31, 1997, Navy distributed a Draft Environmental Impact Statement (DEIS) to Federal, State, and local agencies, interested parties, and the general public. Navy held a public hearing concerning the DEIS on February 27, 1997, at San Marin High School. During the forty-five day review period after publication of the DEIS, Federal, State, and local agencies, community groups and associations, and the general public submitted oral and written comments concerning the DEIS. These comments and Navy's responses were incorporated in the Final Environmental Impact Statement and was distributed to the public on November 21, 1997, for a thirty-day review period that concluded on December 22, 1997. navy received five letters concerning the FEIS.

Alternatives

NEPA requires Navy to evaluate a reasonable range of alternatives for the disposal and reuse of this Federal property. In the NEPA process, Navy analyzed the environmental impacts of

two ''action'' alternatives that could result from disposal of the DoDHF Novato property. Navy also evaluated a ''No action'' alternative that would leave the property in a caretaker status with navy maintaining the physical condition of the property, providing a security force, and making repairs essential to safety. For its analysis, Navy relied upon the Revised Reuse Plan developed by HRPA and approved by the City of Novato.

In March 1994, the City of Novato and the County of Marin entered into the Hamilton Reuse Planning Agreement to establish the HRPA and procedures for ensuring public participation in the reuse planning process. The HRPA is composed of representatives from the City of Novato, the County of Marin, and several advisory groups. The HRPA prepared the Reuse Plan after extensive public involvement and comment.

This process also resulted in the establishment of the Hamilton Advisory Commission (HAC), a citizens committee composed of 25 representatives from various stakeholder groups; the Technical Advisory Committee, a technical guidance committee composed of 33 members from local service districts (*i.e.,* water districts and fire districts) and Federal and state agencies; and the Multi-Agency Board (MAB), composed of two members from the Novato City Council, one member selected by the City Council, two members from the County Board of Supervisors, and one member selected by the Board. The MAB reviewed HAC's recommendations and made recommendations to the Novato City Council regarding adoption of the reuse plan. The goal of this planning process was to develop a reuse plan for HAA, DoDHF and the adjacent private lands and reflected a consensus gained through public participation by the community.

After the City adopted the Reuse Plan, the Department of Veterans Affairs withdrew its request for property at DoDHF and the Coast Guard revised its request for DoDHF property. As a result, the HRPA changed the Reuse Plan. The City of Novato approved the Revised Reuse Plan in February 1996 and published it as the Hamilton Army Airfield Reuse Plan, ''Revised November 1996''.

The Revised Reuse Plan Alternative, designated in the FEIS as the Preferred Alternative, would implement the Revised Reuse Plan. It proposed a mix of residential, open space, parkland, community, and commercial uses.

The Revised Reuse Plan identifies 10 planning areas and a runway area. Planning Area 1 is the Rafael Village site, a 107-acre suburban residential development located on the west side of U.S. Highway 101. Under the Revised Reuse Plan, the 503 existing Rafael Village structures would be demolished and 500 dwelling units would be built on 86 of the 107 acres. The remaining property would be used for parkland (seven acres), open space (seven acres), and roadway (seven acres). The other planning areas are located at the Main Site, on the east side of U.S. Highway 101 and southeast of Rafael Village.

Planning Area 2 is located in the southwest section of the Main Site. Known as Capehart Housing, it is a 216-acre suburban residential development. Under the Revised Reuse Plan, the existing 100 acres of housing, nine acres of parkland, and 107 acres of open space would be used for the same purposes as their current uses.

Planning Area 3, the Spanish Housing area, is located east of the Capehart Housing and will be transferred to the Coast Guard. It is not available for reuse by the community.

Planning Area 4, the Commissary Triangle, is a 13-acre site located at the northwest corner of the Main Site. Under the Revised Reuse Plan, this property would be used for community and civic purposes and would provide an 80-bed shelter for the homeless.

Planning Area 5, the Navy Exchange Triangle, is located on the west side of the Main Site and covers 28 acres. About 26 acres would be dedicated to community and civic uses, *i.e.,* a public transit center consisting of a park and ride lot and bus stop, a library, a charter school, a homeless shelter, a child care facility, and senior housing. The remaining two acres would be used for private commercial activities that would serve the local residents.

Planning Area 6, the Town Center, is located at the northeast corner of the Main Site and covers eight acres. The Revised Reuse Plan proposes to use four of these acres as a neighborhood commercial area that could accommodate a theater, offices, cafes, specialty shops, personal service shops, and artists workplaces. Two acres would be used for community facilities, *e.g.,* the former chapel, and two acres would serve as a central plaza.

Planning Area 7, known as Hospital Hill, is located southeast of the Town Center area and is part of the Hamilton Army Airfield property. Navy is not responsible for this Army property and did not consider alternative reuses for it.

Planning Area 8, known as the Bowling Alley, is located on the east side of the Main Site and covers 3 acres. The Preferred Alternative would use the existing bowling alley an gymnasium for recreational purposes.

Planning Area 9, the Officers Club, is located on a five-acre landscaped hill south of the Bowling Alley and contains two buildings. The Revised Reuse Plan would use three acres for community and civic purposes with a cultural center, community center and library. Two acres would be used commercially to provide lodging for visitors.

Planning Area 10, the Ballfields, is situated in the southeast corner of the Main Site and covers 31 acres. It contains open space, baseball fields, a swimming pool and poolhouse, and parking lots. The Preferred Alternative would use this entire area as a park and retain the swimming pool complex for recreational activity.

The runway area east of the Main Site is part of the Hamilton Army Airfield property. Navy is not responsible for this Army property and did not consider alternative reuses for it.

In the NEPA process, Navy considered a second ''action'' alternative, described in the FEIS as the Open Space Alternative. This alternative also proposed a mix of residential, open space, parkland, community and commercial facilities.

Under the Open Space Alternative, all 503 existing structures at Rafael Village would be demolished. This property would then be used for open space and parkland, and no new houses would be built on the site. Reuse of the Main Site would be similar to the Preferred Alternative but would also allow the development of certain facilities that were designated in the Open Space Alternative as corporation yards. These corporation yards would provide areas for the maintenance and storage of up to 50 buses and 40 pieces of heavy equipment. The yards would also contain warehouses, office space and parking lots.

The Capehart Housing area at the Main Site would be used in the Open Space Alternative to provide housing, open space, and parkland. The Commissary Triangle area would provide community and civic facilities. The Navy Exchange Triangle area would be used for community and civic purposes as well as neighborhood commercial activities and would also provide a homeless shelter. A corporation yard would be located in either the Commissary or Exchange Triangles. The Town Center area would be used for community activities. The Bowling Alley area would be used for recreational activities. The Officers Club would be used for commercial and community activities. The Ballfields

area would be used for parkland and open space.

Environmental Impacts

Navy analyzed the potential impacts of the Preferred Alternative, the Open Space Alternative, and the ''No action'' Alternative for each alternative's effects on land use, aesthetics and scenic resources, socioeconomics (including employment, income, population, housing, schools, recreation, and environmental justice), public services, utilities, cultural resources, biological resources, geology and soils, water resources, traffic and circulation, air quality, noise, and hazardous materials and waste. This Record of Decision focuses on the impacts that would likely result from implementing the Preferred Alternative.

The Preferred Alternative would not cause any significant impacts on land use, because the proposed uses of each planning area are similar or identical to Navy's historical uses. Although demolition of existing structures and construction of new facilities would cause short term disruption, these temporary activities would not have a significant impact on land use.

The Preferred Alternative would not have significant impacts on aesthetic and scenic resources. The visual impacts arising out of demolition and construction would be minimal and insignificant as a result of their short duration.

The Preferred Alternative would not result in any significant adverse socioeconomic impacts. Indeed, it would enhance affordable housing opportunities, generate additional jobs, and provide more recreational facilities for the City.

The Preferred Alternative would result in a 2.9 percent increase in enrollment in the Novato Unified School District compared with 1995 levels. However, since most schools in this District are operating below their enrollment capacities, implementation of the Preferred Alternative would not exceed school capacity.

The Preferred Alternative would not result in significant impacts on police and fire protection or on emergency medical services in the Novato area. However, the number of requests for these public services will likely increase as the population increases.

The Preferred Alternative would not result in significant impacts on utility systems, *i.e.*, electricity, natural gas, telephone, water supply, storm drainage and sanitary sewer systems. The acquiring entity will upgrade the existing utility systems to meet current utility standards.

While demolition of the Rafael Village houses would not significantly affect the County's landfill capacity, the additional demolition waste would contribute to Marin County's solid waste stream. Thus, a significant impact could result if demolition of the Rafael Village structures prevented Marin County from meeting the State's requirement, set forth in Cal. Pub. Res. Code, § 41780, *et seq.*, to reduce solid waste by 50 percent by the year 2000.

The Preferred Alternative would not have a significant impact on cultural resources. There are four historic properties within an area designated as the Hamilton Army Airfield Discontiguous Historic District. These are the War Department Theater (Building 507) and the Amphitheater in the Town Center planning area; the Bachelor Officers Quarters in the Officers Club planning area (Building 201); and the Swimming Pool (Building 205) in the Ballfields planning area. The Preferred Alternative would use these buildings and structures for purposes similar to Navy's uses.

Navy may convey the War Department Theater and the Bachelor Officers Quarters to the City of Novato through the National Park Service's Historic Monuments Program. 40 U.S.C. § 484(k)(3). Navy may convey the Amphitheater and Swimming Pool to the City of Novato through the National Park Service's Surplus Federal Lands to Public Parks Program. 40 U.S.C. § 484(k)(2). The National Park Service would review and approve plans for the adaptive reuse of these four properties to ensure their preservation after disposal by the Federal Government.

Navy has completed consultation pursuant to Section 106 of the National Historic Preservation Act, 16 U.S.C. § 470 (f), and its implementing regulations, Protection of Historic Properties, 36 CFR Part 800, with the California State Historic Preservation Officer (SHPO) and the Advisory Council on Historic Preservation (ACHP). The SHPO and the ACHP concurred on October 16, 1997 and October 30, 1997, respectively, with Navy's conclusion that there would be no adverse effect on these four properties or on the HAA Discontiguous Historic District if they were conveyed to the City under the National Park Service programs.

Although Navy did not discover any surface archeological resources at DoDHF Novato, archeological resources could be present in undisturbed areas under the surface. If there are any such discoveries, work will cease in the vicinity of the discovery until professional archeologists have had an opportunity to evaluate the discovery and implement an appropriate treatment plan in accordance with the Novato General Plan and Cal. Pub. Res. Code § 5097, *et seq.*

Increased erosion resulting from demolition and new construction could have a significant impact on biological resources such as sensitive wetland and riparian habitats and on the species that inhabit these areas. The acquiring entity will reduce these impacts to an insignificant level by introducing standard erosion control measures such as silt fences, sedimentation basins, and other structural methods that minimize sedimentation runoff into creeks and wetlands during new construction. Additionally, in accordance with Executive Order 11990, Protection of Wetlands, dated May 24, 1977, Navy will place a Notice in the conveyance document that describes those uses that are restricted under Federal, State, and local wetland regulations.

Navy has completed consultation with the National Marine Fisheries Service and the United States Fish And Wildlife Service pursuant to Section 7 of the Federal Endangered Species Act, 16, U.S.C. § 1531, *et seq.* The National Marine Fisheries Service and the U.S. Fish And Wildlife Service concurred on March 24, 1997 and March 27, 1997, respectively, with Navy's conclusion that disposal and reuse of the DoDHF Novato property is not likely to adversely affect any species on the Federal list of endangered or threatened species.

The Preferred Alternative would allow redevelopment in areas at DoDHF Novato that contain potential geologic hazards. Thus, potentially significant impacts could result from demolition and construction in the Rafael Village area if these actions undermine or weaken unstable slopes. The City of Novato's General Plan requires developers to conduct geotechnical investigations in areas that have landslide potential. The acquiring entity will reduce the potential for landslides to an insignificant level by implementing protective measures during construction.

Parts of the Main Site were built on fill over the San Francisco Basin's Bay Mud formation and are particularly susceptible to damage during earthquakes. The acquiring entity can reduce this potential for earthquake damage to existing structures and new construction to an insignificant level by upgrading the existing structures to comply with current seismic safety standards and by designing new structures that meet current building codes governing seismic safety.

The Preferred Alternative could degrade surface water quality, because the demolition and construction of buildings may disturb the soil and increase erosion and sedimentation into San Jose Creek at the Rafael Village site and Pacheco Creek at the Main Site. The acquiring entity will reduce this impact on surface water quality to an insignificant level by implementing storm water pollution prevention plans and standard erosion control measures before clearing and grading particular sites.

Parts of the property at DoDHF Novato could be subject to flooding. Certain parts of the Rafael Village, Capehart Housing, Commissary Triangle, Navy Exchange Triangle, Town Center, Bowling Alley, and Ballfields areas are located in the 100-year floodplain. In accordance with Executive Order 11988, Floodplain Management, dated May 24, 1977, Navy will place a Notice in the conveyance document that describes those uses that are restricted under Federal, State, and local floodplain regulations.

Navy's evaluation of the impacts on traffic and circulation considered freeway operations, local roadway and intersection operations, public transit facilities and service, and pedestrian and bicycle circulation. The Preferred Alternative would not have significant impacts on freeway and intersection operations. It would generate about 12,095 average daily trips, slightly more than the 11,340 average daily trips that were associated with Navy's use of the DoDHF Novato property, and it would result in a significant increase in the demand for public transit services. There would not be any significant impacts on pedestrian and bicycle traffic.

The Preferred Alternative would have a significant but mitigable impact on air quality. Local dust would be generated during building demolition, renovation, and new construction activities. The acquiring entity will reduce these potential impacts to an insignificant level by implementing standard dust control measures during demolition, renovation and construction.

Section 176 of the Clean Air Act, 42 U.S.C. § 7506, as amended, requires Federal agencies to review their activities to ensure that they do not hamper local efforts to control air pollution. This statute prevents Federal agencies from conducting activities that do not conform to an approved implementation plan but recognizes certain categorically exempt activities. The conveyance of real property, regardless of the method, is a categorically exempt activity. Accordingly, disposal of the DoDHF Novato property does not require Navy to conduct a conformity analysis.

The Preferred Alternative would have significant but mitigable temporary noise impacts on adjacent land arising out of demolition, renovation, and construction activities at the Rafael Village, Navy Exchange Triangle and Commissary Triangle areas. The acquiring entity will reduce these potential noise impacts to an insignificant level by limiting demolition and construction activities to normal daytime hours.

The Preferred Alternative would have a significant noise impact on some residents of the Rafael Village and Capehart Housing areas arising out of the high noise levels generated by existing traffic adjacent to these areas on U.S. Highway 101 and Ignacio Boulevard. Under the Preferred Alternative, residents of these areas would be exposed to 24-hour average noise levels that would exceed the 60 decibel average for residential areas prescribed in the Novato General Plan as the upper limit of acceptability. This is a significant impact that cannot be mitigated to an insignificant level.

Although DoDHF Novato generated a small amount of hazardous waste, Navy's survey identified several areas of contamination. In response, Navy's remediation actions include removal and remediation of underground storage tank areas; abatement of damaged, friable and accessible asbestos; and inspection for and notification of lead-based paint (LBP) for housing units in accordance with the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. 4822.

Residential surveys for LBP showed that LBP is present in the Rafael Village and Capehart Housing units. Since all of the Rafael Village structures will be demolished, no LBP abatement will be performed there. The Capehart Housing units were completed after 1960 and are therefore subject only to the inspection and disclosure requirements of the Residential Lead-Based Paint Hazard Reduction Act.

No significant adverse impacts would be caused by the hazardous materials and hazardous waste that may be used and generated by the Preferred Alternative. The quantity of hazardous materials used, stored, and disposed of, and the quantity of hazardous waste generated on the property would decrease under the Preferred Alternative. Additionally, hazardous materials used and hazardous waste generated under the Preferred Alternative would be controlled by existing regulations under the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901, *et seq.*, codified at 40 CFR parts 260–266.

Navy also analyzed the impacts on low-income and minority populations pursuant to Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, reprinted in 42 U.S.C. § 4321 note. There would be no disproportionately high and adverse human health or environmental effects on minority and low-income populations. Indeed, the Preferred Alternative would increase the amount of housing in the City and County and provide emergency shelter and transitional housing that would benefit the homeless and low-income residents in the area.

Mitigation

Implementation of the decision to dispose of DoDHF Novato does not require Navy to perform any mitigation measures. However, the National Park Service must review and approve all plans for adaptive reuse of the four historic properties if they are conveyed under the Historic Monuments and Surplus Federal Lands to Public Parks programs. As required by Executive Order 11990, Protection of Wetlands, and Executive Order 11988, Floodplain Management, Navy will incorporate Notices in the conveyance document describing wetland and floodplain uses that are restricted under Federal, State, and local regulations.

Navy's FEIS identified and discussed those actions that would be necessary to mitigate the impacts associated with the disposal and reuse of DoDHF Novato. The acquiring entity, under the direction of Federal, State, and local agencies with regulatory authority over protected resources, will be responsible for implementing all necessary mitigation measures.

Comments Received on the FEIS

Navy received comments on the FEIS from the United States Environmental Protection Agency (EPA), the Golden Gate Bridge, Highway, and Transportation District, the Novato Fire Protection District, the Lanham Village Homeowners' Association, Inc., and Marvelous Marin, Inc.

The EPA commented that navy should compare the projected environmental impacts of the two ''action'' alternatives against two standards: historical environmental conditions (the standard that Navy applied) and those conditions that would exist under the ''No action'' alternative, *i.e.*, with the facility in a

caretaker status. Navy believes that its use of historical or previously established environmental conditions is appropriate, because it evaluates the impacts of the proposed reuse in light of the conditions that existed when the facility was open and actively operating.

The Golden Gate Bride, Highway, and Transportation District asked Navy to include additional information in the FEIS concerning existing public transit routes, park and ride lots, bus stops, previous land acquisition by the Transportation District, projected hourly transit trips, and the mission of the Transportation District. The District did not provide comments during the public scoping period or during the DEIS public review period.

As discussed in the FEIS, the anticipated increase in the demand for public transit services under the Preferred Alternative can be reduced to an insignificant level by providing internal collector roadways within the project area that would accommodate public transit vehicles and by providing shuttle services to existing public transit routes. The inclusion of the additional information requested by the Transportation District would not change the results of Navy's environmental analysis in the FEIS.

The Novato Fire Protection District (NFPD) commented that ti is currently providing emergency services to DoDHF Novato through a contract with Navy and the DoDHF Novato is presently located outside the boundaries of the NFPD. The NFPD stated that it would not be able to provide emergency services to the DoDHF site if Navy terminated the contract before other arrangements were made with the NFPD or unless the DoDHF property was annexed into the district.

The Coast Guard challenged NFPD's claim that it requires a contract to provide emergency services to DoDHF Novato. On January 7, 1998, the United States District Court for the Northern District of California decided that NFPD's exclusion of Federal property from the fire district was invalid. This decision has the effect of including DoDHF Novato in the fire district. *Novato Fire Protection District* v. *United States*, No. C 96–3893 FMS (N.D. Cal., Jan. 7, 1998), *reh. den.* (N.D. Cal., Jan. 27, 1998).

Navy also received comments from the Lanham Village Homeowners' Association, Inc. (LVHA) that reflect the views of a neighborhood adjacent to the Main Site on the DoDHF Novato property. The Homeowners' Association requested additional analysis of the Preferred Alternative with respect to the Novato Unified School District's (NUSD) request for a public benefit conveyance of the former Navy Vehicle Maintenance Building. The School District proposes to use the building as a vehicle repair training facility.

The Association also requested additional analysis of a corporation yard that was proposed under the Open Space Alternative. The Association disagrees with Navy's conclusions regarding the environmental impacts of these components of the Preferred Alternative and the Open Space Alternative.

Navy analyzed the proposed reuse of the former Navy Vehicle Maintenance Building under the Preferred Alternative and concluded that it was similar to Navy's historical use of this facility. The proposed NUSD vehicle repair training facility would be required to meet all health and safety regulations concerning noise and air emissions, and reuse of the Vehicle Maintenance Facility would not have significant impacts on land use, noise, and air quality. Navy considers this analysis adequate. Additionally, the land use policies in the Revised Reuse Plan require the acquiring entity to establish landscaping and buffer zones and to consider the compatibility of new uses with existing residential uses such as Lanham Village before approving new uses.

The LVHA commented that the proposed NUSD facility could eventually become a regional bus repair facility. However, the School District is not proposing such an action in its public benefit conveyance request, and HRPA did not propose such a facility in the Revised Reuse Plan.

In response to LVHA's comments on the DEIS concerning the Open Space Alternative, Navy considered the possible uses of the corporation yard in the FEIS. Navy concluded that the establishment of a corporation yard under the Open Space Alternative would not have significant impacts on land use and noise. Additionally, the Preferred Alternative, *i.e.*, the Revised Reuse Plan, does not propose to establish an corporation yards.

The LVHA also stated that the siting of the bus repair training facility or the corporation yard may raise environmental justice concerns. As stated in the FEIS, however, there are no significant and adverse environmental impacts that would disproportionately affect minority and low-income populations.

Marvelous Marin, Inc. did not comment directly on the FEIS, but provided copies of correspondence to the Secretary of the Navy dated November 20, 1997. Marvelous Marin also filed suit in the United States District Court for the Northern District of California on September 30, 1997, alleging that private entities and/or Marin County may have reversionary rights to DoDHF Novato property. *Marvelous Marin, Inc.* v. *United States*, No. C 97–3584 CW (N.D. Cal., filed Sept. 30, 1997). Navy considered these claims and concluded that no such reversionary rights exist. On May 6, 1998, the District Court dismissed the lawsuit with prejudice on the merits. *Marvelous Marin, Inc.* v. *United States*, *id.* (Order and Judgment filed May 6, 1998).

In any entity were to establish reversionary property rights in the future, the City of Novato's zoning and other ordinances would still govern redevelopment of this property. Thus, the FEIS adequately addressed the potential environmental impacts of disposal and reuse of this property under the Preferred Alternative.

Regulations Governing the Disposal Decision

Since the proposed action contemplates disposal under the Defense Base Closure and Realignment Act of 1990 (DBCRA), Public Law 101–510, 10 U.S.C. § 2687 note, Navy's decision was based upon the environmental analysis in the FEIS and application of the standards set forth in DBCRA, the Federal Property Management Regulations (FPMR), 41 CFR Part 101–47, and the Department of Defense Rule on Revitalizing Base Closure Communities and Community Assistance (DoD Rule), 32 CFR Parts 174 and 175.

Section 101–47.303–1 of the FPMR requires that the disposal of Federal property benefit the Federal government and constitute the ''highest and best use'' of the property. Section 101–47.4909 of the FPMR defines the ''highest and best use'' as that use to which a property can be put that produces the highest monetary return from the property, promotes its maximum value, or serves a public or institutional purpose. The ''highest and best use'' determination must be based upon the property's economic potential, qualitative values inherent in the property, and utilization factors affecting land use such as zoning, physical characteristics, other private and public uses in the vicinity, neighboring improvements, utility services, access, roads, location, and environmental and historical considerations.

After Federal property has been conveyed to non-Federal entities, the property is subject to local land use regulations, including zoning and

subdivision regulations, and building codes.

Unless expressly authorized by statute, the disposing Federal agency cannot restrict the future use of surplus Government property. As a result, the local community exercises substantial control over future use of the property. For this reason, local land use plans and zoning affect determination of the highest and best use of surplus Government property.

The DBCRA directed the Administrator of the General Services Administration (GSA) to delegate to the Secretary of Defense authority to transfer and dispose of base closure property. Section 2905(b) of DBCRA directs the Secretary of Defense to exercise this authority in accordance with GSA's property disposal regulations, set forth at Sections 101–47.1 through 101–47.8 of the FPMR. By letter dated December 20, 1991, the Secretary of Defense delegated the authority to transfer and dispose of base closure property closed under DBCRA to the Secretaries of the Military Departments. Under this delegation of authority, the Secretary of the Navy must follow FPMR procedures for screening and disposing of real property when implementing base closures. Only where Congress has expressly provided additional authority for disposing of base closure property, *e.g.*, the economic development conveyance authority established in 1993 by Section 2905(b)(4) of DBCRA, may Navy apply disposal procedures other than the FPMR's prescriptions.

In Section 2901 of the National Defense Authorization Act for Fiscal Year 1994, Public Law 103–160, Congress recognized the economic hardship occasioned by base closures, the Federal interest in facilitating economic recovery of base closure communities, and the need to identify and implement reuse and redevelopment of property at closing installations. In Section 2903(c) of Public Law 103–160, Congress directed the Military Departments to consider each base closure community's economic needs and priorities in the property disposal process. Under Section 2905(b)(2)(E) of DBCRA, Navy must consult with local communities before it disposes of base closure property and must consider local plans developed for reuse and redevelopment of the surplus Federal property.

The Department of Defense's goal, as set forth in Section 174.4 of the DoD Rule, is to help base closure communities achieve rapid economic recovery through expeditious reuse and redevelopment of the assets at closing bases, taking into consideration local market conditions and locally developed reuse plans. Thus, the Department has adopted a consultative approach with each community to ensure that property disposal decisions consider the Local Redevelopment Authority's reuse plan and encourage job creation. As a part of this cooperative approach, the base closure community's interests, *e.g.*, reflected in its zoning for the area, play a significant role in determining the range of alternatives considered in the environmental analysis for property disposal. Furthermore, Section 175.7(d)(3) of the DoD Rule provides that the Local Redevelopment Authority's plan generally will be used as the basis for the proposed disposal action.

The Federal Property and Administrative Services Act of 1949, 40 U.S.C. § 484, as implemented by the FPMR, identifies several mechanisms for disposing of surplus base closure property: by public benefit conveyance (FPMR Sec. 101–47.303–2); by negotiated sale (FPMR Sec. 101–47.304–9); and by competitive sale (FPMR 101–47.304–7). Additionally, in Section 2905(b)(4), the DBCRA established economic development conveyances as a means of disposing of surplus base closure property.

The selection of any particular method of conveyance merely implements the Federal agency's decision to dispose of the property. Decisions concerning whether to undertake a public benefit conveyance or an economic development conveyance, or to sell property by negotiation or by competitive bid are committed by law to agency discretion. Selecting a method of disposal implicates a broad range of factors and rests solely within the Secretary of the Navy's discretion.

Conclusion

The HRPA's proposed reuse of the DoDHF Novato property, reflected in the 1996 Hamilton Army Airfield Reuse Plan and embodied in the Preferred Alternative, is consistent with the prescriptions of the FPMR and Section 174.4 of the DoD Rule. The LRA has determined in its Revised Reuse Plan that the property should be used for several purposes including residential, community, civic, commercial, parkland and open space. The property's location, physical characteristics and existing infrastructure as well as the current uses of adjacent property make it appropriate for the proposed uses.

The Revised Reuse Plan responds to local economic conditions, promotes rapid economic recovery from the impact of the facility's closure, and is consistent with President Clinton's Five-Part Plan for Revitalizing Base Closure Communities, which emphasizes local economic redevelopment of the closing military facility and creation of new jobs as the means to revitalize these communities. 32 CFR Parts 174 and 175, 59 Fed. Reg. 16123 (1994). The acquiring entity, under the direction of Federal, State, and local agencies with regulatory authority over protected resources, will be responsible for adopting practicable means to avoid or minimize environmental harm that may result from implementation of the reuse plan.

Although the ''No action'' Alternative has less potential for causing adverse environmental impacts, this alternative would not take advantage of the property's location, physical characteristics and infrastructure or the current uses of adjacent property. Additionally, it would not foster local economic redevelopment of the DoDHF NOvato property.

Accordingly, Navy will dispose of the Department of Defense Housing Facility at Novato in a manner that is consistent with the Hamilton Reuse Planning Authority's Revised Reuse Plan for the property.

Dated: July 1, 1998.

William J. Cassidy, Jr.,

Deputy Assistant Secretary of the Navy (Conversion And Redevelopment).

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BILLING CODE 3810–FF–M

DEPARTMENT OF DEFENSE

Department of the Navy

Availability of Government-Owned Inventions for Licensing

AGENCY: Department of the Navy, DOD.

ACTION: Notice.

SUMMARY: The inventions listed below are assigned to the United States Government as represented by the Secretary of the Navy and are made available for licensing by the Department of the Navy.

Copies of patents cited are available from the Commissioner of Patents and Trademarks, Washington, D.C. 20231, for $3.00 each. Requests for copies of patents must include the patent number.

Copies of patent applications cited are available from the National Technical Information Service (NTIS), Springfield, Virginia 22161 for $6.95 each ($10.95 outside North American Continent). Requests for copies of patent

applications must include the patent application serial number. Claims are deleted from the copies of patent applications sold to avoid premature disclosure.

The following patents and patent applications are available for licensing:

Patent 5,060,734: SEAWATER HYDRAULIC ROCK DRILL; filed 11 September 1989; patented 29 October 1991.//Patent 5,612,901: APPARATUS AND METHOD FOR CLOUD MASKING; filed 17 May 1994; patented 18 March 1997.//Patent 5,644,665: MULTI-OCTAVE, HIGH DYNAMIC RANGE OPERATION OF LOW-BIASED MODULATORS BY BALANCED DETECTION; filed 27 July 1995; patented 1 July 1997.//Patent 5,656,815: THERMOLUMINESCENCE RADIATION DOSIMETRY USING TRANSPARENT GLASS CONTAINING NANOCRYSTALLINE PHOSPHOR; filed 8 February 1996; patented 12 August 1997.//Patent 5,656,933: SOLDER PASTE AND RESIDUE MEASUREMENT SYSTEM; filed 24 February 1995; patented 12 August 1997.//Patent 5,660,920: INTER-LEVEL DIELECTRICS WITH LOW DIELECTRIC CONSTANTS; filed 14 July 1995; patented 26 August 1997.//Patent 5,661,062: ULTRA HIGH DENSITY, NON-VOLATILE FERROMAGNETIC RANDOM ACCESS MEMORY; filed 27 April 1995; patented 26 August 1997./ /Patent 5,661,699: ACOUSTIC COMMUNICATION SYSTEM; filed 13 February 1996; patented 26 August 1997.//Patent 5,663,387: LIPOSOMES CONTAINING POLYMERIZED LIPIDS FOR NON-COVALENT IMMOBILIZATION OF PROTEINS AND ENZYMES; filed 8 August 1995; patented 2 September 1997.//Patent 5,665,430: CHEMICAL VAPOR DEPOSITION METHOD FOR DEPOSITING DIAMOND USING A HIGH TEMPERATURE VACUUM SUBSTRATE MOUNT; filed 30 September 1992; patented 9 September 1997.//

Patent 5,665,559: PRODUCTION OF MONOCLONAL ANTIBODIES TO BACTEROIDES GINGIVALIS BY HYBRIDOMA BGIL VF9/2D; filed 18 May 1989; patented 9 September 1997./ /Patent 5,665,618: METHOD OF FORMING AN INTERBAND LATERAL RESONANT TUNNELING TRANSISTOR WITH SINGLE NARROW GATE ELECTRODE; filed 27 January 1995; patented 9 September 1997.// Patent 5,668,777: TORPEDO SIGNAL PROCESSOR; filed 8 July 1996; patented 16 September 1997.//Patent 5,668,779: HYDROPHONE GROUP DESIGN FOR SHALLOW TOWED APPLICATIONS; filed 29 March 1996; patented 16 September 1997.//Patent 5,671,734: AUTOMATIC MEDICAL SIGN MONITOR; filed 3 November 1995; patented 30 September 1997.//Patent 5,673,055: ROSETTE-SHAPED MONOPOLE ANTENNA TOP-LOAD FOR INCREASED ANTENNA VOLTAGE AND POWER CAPABILITY; filed 21 April 1994; patented 30 September 1997.//Patent 5,673,235: SOCK SHAPED INTERNAL STRENGTH MEMBER FOR TOWED ARRAYS; filed 30 July 1987; patented 30 September 1997.//Patent 5,673,644: TRI-JOINT COUPLING; filed 22 August 1996; patented 7 October 1997.//Patent 5,673,645: AGILE WATER VEHICLE; filed 1 April 1996; patented 7 October 1997.//Patent 5,674,752: CONDUCTIVE POLYMER COATED FABRICS FOR CHEMICAL SENSING; filed 16 October 1995; patented 7 October 1997.//Patent 5,675,116: UNMANNED UNDERSEA VEHICLE INCLUDING KEEL-MOUNTED PAYLOAD DEPLOYMENT ARRANGEMENT WITH PAYLOAD COMPARTMENT FLOODING ARRANGEMENT TO MAINTAIN AXI-SYMMETRICAL MASS DISTRIBUTION; filed 11 October 1995; patented 7 October 1997.//Patent 5,675,117: UNMANNED UNDERSEA WEAPON DEPLOYMENT STRUCTURE WITH CYLINDRICAL PAYLOAD CONFIGURATION; filed 11 October 1995; patented 7 October 1997.//Patent 5,675,553: METHOD FOR DATA GAP COMPENSATION; filed 28 June 1996; patented 7 October 1997.//Patent 5,675,680: FIBER-OPTIC CONNECTOR; filed 25 November 1994; patented 7 October 1997.//Patent 5,676,576: SUBMARINE DEPLOYED SEA-STATE SENSOR; filed 22 August 1996; patented 14 October 1997.//Patent 5,677,506: SUBMARINE EXTENDIBLE TURRET SYSTEM; filed 30 December 1996; patented 14 October 1997.//Patent 5,678,504: NEGATIVE LIFT DEVICE FOR TWO CABLE FAIRING; filed 3 June 1996; patented 21 October 1997.// Patent 5,679,818: INORGANIC ARYLACETYLENIC MONOMERS; filed 26 July 1996; patented 21 October 1997.//Patent 5,679,917: BREECH PLUG SUPPORT MECHANISM; filed 5 September 1996; patented 21 October 1997.//Patent 5,679,921: INFRA-RED TRACKING FLARE; filed 27 August 1958; patented 21 October 1997.//Patent 5,680,489: OPTICAL SENSOR SYSTEM UTILIZING BRAGG GRATING SENSORS; filed 28 June 1996; patented 21 October 1997.//Patent 5,681,870: HIGH TEMPERATURE THERMOSETS/ CERAMICS FROM NOVEL HYBRID COPOLYMER CONTAINING RANDOM DISTRIBUTION OF BORANYL, SILYL, OR SILOXYL, AND ACETYLENIC UNITS; filed 26 July 1996; patented 28 October 1997.//Patent 5,682,238: MULTIPLE, PARALLEL, SPATIAL MEASUREMENT OF ELECTRICAL PHASE; filed 12 June 1995; patented 28 October 1997.//Patent 5,682,397: ER:YALO UPCONVERSION LASER; filed 30 November 1995; patented 28 October 1997.//Patent 5,684,493: SUPPORT BASE FOR SUBMARINE ANTENNA MAST; filed 29 May 1996; patented 4 November 1997.//Patent 5,685,252: DEVICE FOR REDUCING FLOW OF FLUID FROM A RUPTURED VESSEL; filed 27 March 1995; patented 11 November 1997.//Patent 5,685,966: BUBBLE CAPTURE ELECTRODE CONFIGURATION; filed 20 October 1995; patented 11 November 1997.// Patent 5,686,152: METAL INITIATED NUCLEATION OF DIAMOND; filed 3 August 1995; patented 11 November 1997.//Patent 5,686,667: METHOD FOR DETERMINING THE APPROXIMATE RESONANCE FREQUENCY OF A STRUCTURE SURROUNDED BY A COMPRESSIBLE FLUID; filed 15 April 1996; patented 11 November 1997.// Patent 5,686,692: SINGLE FUSE FOLLOW-THROUGH GRENADE; filed 30 September 1996; patented 1 November 1997.//Patent 5,686,694: UNMANNED UNDERSEA VEHICLE WITH ERECTABLE SENSOR MAST FOR OBTAINING POSITION AND ENVIRONMENTAL VEHICLE STATUS; filed 11 October 1995; patented 11 November 1997.//Patent 5,687,263: OPTICAL RF BANDPASS FILTER AND METHOD FOR MANUFACTURING SAME; filed 2 October 1995; patented 11 November 1997.//Patent 5,687,501: SEALING APPARATUS FOR EXCLUSION OF WATER FROM UNDERWATER GUN BARRELS; filed 6 March 1996; patented 18 November 1997.//Patent 5,687,667: TOWED ARRAY ACOUSTIC PROJECTOR SHADING DEVICE; filed 17 June 1996; patented 18 November 1997.//Patent 5,687,670: CIRCUMFERENTIAL CIRCULATION CONTROL SYSTEM; filed 7 February 1996; patented 18 November 1997.//Patent 5,687,671: UNDERWATER PROPULSION DEVICE; filed 17 April 1996; patented 18 November 1997.//Patent 5,687,769: CONFIGURABLE PORT ASSEMBLY; filed 16 January 1996; patented 18 November 1997.//Patent 5,688,405: METHOD AND APPARATUS FOR SEPARATING PARTICULATE MATTER FROM A FLUID; filed 28 February 1996; patented 18 November 1997.//Patent 5,688,406: METHOD AND APPARATUS FOR SEPARATING PARTICULATE FROM A FLOWING FLUID; filed 28

February 1996; patented 18 November 1997.//Patent 5,688,642: SELECTIVE ATTACHMENT OF NUCLEIC ACID MOLECULES TO PATTERNED SELF-ASSEMBLED SURFACES; filed 1 December 1994; patented 18 November 1997.//Patent 5,688,715: EXCIMER LASER DOPANT ACTIVATION OF BACKSIDE ILLUMINATED CCD'S; filed 14 August 1995; patented 18 November 1997.//Patent 5,689,086: SIMULATED SUSPENDED MINE RETRIEVAL SYSTEM; filed 20 May 1996; patented 18 November 1997.//Patent 5,689,864: RIB CLAMP; filed 3 March 1997; filed 25 November 1997.//Patent 5,690,041: UNMANNED UNDERSEA VEHICLE SYSTEM FOR WEAPON DEPLOYMENT; filed 11 October 1995; patented 25 November 1997.//Patent 5,690,044: SYSTEM FOR SHOCK HARDENING A TORPEDO NOSE FAIRING BEARING PLATE ASSEMBLY; filed 16 January 1997; patented 25 November 1997.//Patent 5,690,142: VARIABLE ORIFICE BALL VALUE; filed 30 July 1996; patented 25 November 1997.//Patent 5,690,145: FLUIDIC DEVICE CONTROLLED BY REMOTELY LOCATED ACOUSTIC ENERGY SOURCE; filed 5 August 1996; patented 25 November 1997.//Patent 5,690,737: PROCESS FOR FORMING EPITAXIAL BAF2 ON GAAS; filed 31 May 1995; patented 25 November 1997.//Patent 5,690,963: FREEZE DRIED RED BLOOD CELLS; filed 30 June 1995; patented 25 November 1997.//Patent 5,691,482: ADHESIVE SHEAR STRENGTH TEST APPARATUS; filed 11 July 1996; patented 25 November 1997.//Patent 5,691,903: INTEGRATED CABLE NAVIGATION AND CONTROL SYSTEM; filed 8 September 1995; patented 25 November 1997.//Patent 5,692,521: SLEEP APNEA RESOLUTION APPLIANCE; filed 9 February 1996; patented 2 December 1997.//Patent 5,693,794: CAGED POLYNITRAMINE COMPOUND; filed 30 September 1988; patented 2 December 1997.//Patent 5,693,889: METHOD FOR MONITORING SURFACE STRESS; filed 27 August 1996; patented 2 December 1997.//Patent 5,694,375: ULTRA-BROADBAND HYDROPHONE; filed 22 March 1996; patented 2 December 1997.//Patent 5,694,497: INTRINSICALLY SELF DEFORMING FIBER OPTIC MICROBEND PRESSURE AND STRAIN SENSOR; filed 19 June 1995; patented 2 December 1997.//Patent 5,694,977: HIGH PRESSURE ENABLED, LOW PRESSURE ACTIVATED AUTOMATIC FLUID CONTROL VALVE; filed 5 September 1995; patented 9 December 1997.//Patent 5,696,700: SYSTEM AND COMPUTER-IMPLEMENTED METHOD FOR FRACTAL-DIMENSION MEASUREMENT FOR TARGET-MOTION ANALYSIS NOISE DISCRIMINATION; filed 26 June 1995; patented 9 December 1997.//Patent 5,696,738: UNDERWATER SENSING DEVICE FOR OCEAN FLOOR CONTACT; filed 10 May 1996; patented 9 December 1997.//Patent 5,698,817: UNMANNED UNDERSEA WEAPON DEPLOYMENT STRUCTURE WITH CYLINDRICAL PAYLOAD DEPLOYMENT SYSTEM; filed 11 October 1995; patented 16 December 1997.//Patent 5,699,068: DOPPLER VIDEO SIGNAL CONDITIONING CIRCUIT; filed 28 May 1996; patented 16 December 1997.//Patent 5,701,101: CHARGE AMPLIFIER FOR BLAST GAUGES; filed 20 March 1995; patented 23 December 1997.//Patent 5,701,839: PRESSURE MINESWEEPING VEHICLE; filed 21 February 1967; patented 30 December 1997.//Patent 5,702,273: MARINE PROPULSION SYSTEM FOR UNDERWATER VEHICLES; filed 19 May 1996; patented 30 December 1997.//Patent 5,702,586: POLISHING DIAMOND SURFACE; filed 28 June 1994; patented 30 December 1997.//Patent 5,703,314: INFRARED PROJECTOR COUNTERMEASURE SYSTEM; filed 20 November 1996; patented 30 December 1997.//Patent 5,703,373: ALIGNMENT FIDUCIAL FOR IMPROVING PATTERNING PLACEMENT ACCURACY IN E-BEAM MASKS FOR X-RAY LITHOGRAPHY; filed 3 November 1995; patented 30 December 1997.//Patent 5,703,906: SYSTEM FOR ASSESSING STOCHASTIC PROPERTIES OF SIGNALS REPRESENTING THREE ITEMS OF MUTUALLY ORTHOGONAL MEASUREMENT INFORMATION; filed 17 January 1996; patented 30 December 1998.//Patent 5,704,057: REAL-TIME DATA SORTER; filed 1 October 1992; patented 30 December 1997.//Patent 5,708,116: LOW DIELECTRIC CONSTANT ALLYLICS; filed 31 May 1995; patented 13 January 1998.//Patent 5,742,121: THIN-FILM EDGE FIELD EMITTER DEVICE AND METHOD OF MANUFACTURE THEREFOR; filed 5 June 1996; patented 21 April 1998.//Patent application 08/237,579: FLEXIBLE HIGH-DAMPING COMPOSITE STRUCTURES AND FABRICATION THEREOF; filed 3 May 1994.//Patent application 08/449,582: BIOMEDICAL IMAGING BY OPTICAL PHASE CONJUGATION; filed 24 May 1995.//Patent application 08/601,272: COATING EVALUATION SYSTEM; filed 14 February 1996.//Patent application 08/624,831: CONVEYOR SAFETY TRAY; filed 21 March 1996.//Patent application 08/669,687: CONTAMINATION CONTROL OF EMISSION DISCHARGE; filed 24 June 1996.//Patent application 08/682,878: UNDERWATER MATEABLE ELECTRICAL CONNECTOR WITH ANTI-HYDROLOCK FEATURE; filed 24 June 1997.//Patent application 08/725,217: SPINNING FILTER SEPARATION SYSTEM FOR OIL SPILL CLEAN-UP OPERATION; filed 26 September 1996.//Patent application 08/740,067: NEURAL NETWORK BASED METHOD FOR ESTIMATING HELICOPTER LOW AIRSPEED; filed 24 October 1996.//Patent application 08/744,702: WIDE-BAND OMNI TELEMETRY SYSTEM; filed 31 October 1996.//Patent application 08/773,459: ELECTRIC FIELD CONTROL OF EPILEPTIFORM ACTIVITY; filed 24 December 1996.//Patent application 08/800,417: TRIMODE FUZE; filed 14 February 1997.//Patent application 08/802,572: HYBRID NEURAL NETWORK FOR PATTERN RECOGNITION; filed 3 February 1997.//Patent application 08/802,701: DUCT FLOW CONTROL SYSTEM; filed 19 February 1997.//Patent application 08/806,375: ZINC OXIDE STABILIZED ZIRCONIA; filed 27 February 1997.//Patent application 08/815,013: NOVEL LINEAR METALLOCENE POLYMERS CONTAINING ACETYLENIC AND INORGANIC UNITS AND THERMOSETS AND CERAMICS THEREFROM; filed 14 March 1997.//Patent application 08/826,110: OHMIC CONTACT FOR SEMICONDUCTOR; filed 27 March 1997.//Patent application 08/841,343: DIAMOND OR DIAMOND LIKE CARBON COATED CHEMICAL SENSORS AND A METHOD OF MAKING SAME; filed 30 April 1997.//Patent application 08/847,171: OPTICAL NOTCH FILTERS BASED ON TWO-DIMENSIONAL PHOTONIC BAND-GAP MATERIALS; filed 8 April 1997.//Patent application 08/848,203: DESIGN AND FABRICATION OF ELECTRONIC DEVICES WITH InAlAsSb/AlSb BARRIER; filed 29 April 1997.//Patent application 08/858,633: HYBRID FIBER BRAGG GRATING/LONG PERIOD FIBER GRATING SENSOR FOR STRAIN/TEMPERATURE DISCRIMINATION; filed 19 May 1997.//Patent application 08/863,616: LABORATORY TEST METHOD TO MEASURE TOWED ARRAY HYDROPHONE RESPONSE; filed 23 May 1997.//Patent application 08/877,880: HIGH TEMPERATURE SUPERCONDUCTING CERAMIC OXIDE COMPOSITE WITH RETICULATED METAL FOAM; filed 18 June 1997.//

Patent application 08/885,700: UNDERWATER SEARCH ANGLE SELECTION SYSTEM AND METHOD OF SPECIAL UTILITY WITH SURFACE CONTACTS; filed 30 June 1997.//Patent application 08/885,702: UNDERWATER ACOUSTIC SEARCH ANGLE SELECTION SYSTEM AND METHOD OF SPECIAL UTILITY WITH SUBMERGED CONTACTS; filed 30 June 1997.//Patent application 08/888,382: ELASTOMERIC CARTRIDGES FOR ATTENUATON OF BEARING-GENERATED VIBRATION IN ELECTRIC MOTORS; filed 19 February 1997.// Patent application 08/890,479: METHOD AND SYSTEM FOR PROCESSING ACOUSTIC SIGNALS; filed 9 July 1997.//Patent application 08/891,365: METHOD AND APPARATUS FOR SIMULATING A LOFARGRAM IN A MULTIPATH SONAR SYSTEM; filed 10 July 1997.// Patent application 08/891,366: FLUID PRESSURE MEASURING DEVICE INTERFACE; filed 10 July 1997.//Patent application 08/891,368: METHOD AND APPARATUS FOR SIMULATING REVERBERATION IN A MULTIPATH SONAR SYSTEM; filed 10 July 1997.// Patent application 08/891,369: METHOD AND APPARATUS FOR SIMULATING A MULTIPATH SONAR SYSTEM; filed 10 July 1997.//Patent application 08/891,370: SUBMERSIBLE DEVICE LAUNCHER; filed 10 July 1997.//Patent application 08/891,371: METHOD AND APPARATUS FOR SIMULATING AUTOCORRELATION COEFFICIENTS IN A MULTIPATH SONAR SYSTEM; filed 10 July 1997.// Patent application 08/891,372: METHOD AND APPARATUS FOR SIMULATING CROSS-CORRELATION COEFFICIENTS IN A MULTIPATH SONAR SYSTEM; filed 10 July 1997.// Patent application 08/896,527: FUSING CONTACT DATA FOR BEST-ESTIMATE SOLUTION; filed 7 July 1997.//Patent application 08/896,528: CONTACT DATA CORRELATION WITH REASSESSMENT; filed 7 July 1997.//Patent application 08/904,275: INLINE COAXIAL BALUN FED ULTRAWIDEBAND CORNU FLARED HORN ANTENNA; filed 31 July 1997./ /Patent application 08/904,937: NUCLEAR QUADRUPOLE RESONANCE (NQR) METHOD AND PROBE FOR GENERATING RF MAGNETIC FIELDS IN DIFFERENT DIRECTIONS TO DISTINGUISH NQR FROM ACOUSTIC RINGING INDUCED IN A SAMPLE; filed 1 August 1997.// Patent application 08/910,844: POWER CYLINDER NON-METALLIC LINER SEAL ASSEMBLY; filed 13 August 1997.//Patent application 08/912,971: UNDERWATER MEASUREMENT DEVICE; filed 4 August 1997.//Patent application 08/914,019: UNDERSEA VEHICLE PROPULSION AND ATTITUDE CONTROL SYSTEM; filed 12 August 1997.//Patent application 08/914,024: STOP CYLINDER AND PISTON ASSEMBLY; filed 12 August 1997.//Patent application 08/917,963: LARGE AREA PLASMA PROCESSING SYSTEM (LAPPS); filed 27 August 1997.//Patent application 08/919,185: BELT REPAIR SYSTEM AND METHOD; filed 15 August 1997.//Patent application 08/919,346: HIGH TEMPERATURE SUPERCONDUCTOR/ INSULATOR COMPOSITE THIN FILMS WITH JOSEPHSON COUPLED GRAINS; filed 28 August 1997.//Patent application 08/920,877: AMPLIFICATION BY MEANS OF DYSPROSIUM DOPED LOW PHONON ENERGY GLASS WAVEGUIDES; filed 29 August 1997.//Patent application 08/920,878: LOW PHONON ENERGY GLASS AND FIBER DOPED WITH A RARE EARTH; filed 29 August 1997.// Patent application 08/921,054: SILICONE-CONTAINING FLUOROPOLYMERS FOR CONTROLLED RELEASE OF ORGANIC LEACHANTS; filed 29 August 1997.// Patent application 08/940,043: FIBER-REINFORCED PHTHALONITRILE COMPOSITE CURED WITH LOW-REACTIVITY AROMATIC AMINE CURING AGENT; filed 2 October 1997./ /Patent application 08/940,178: DIRECT MOLECULAR PATTERNING USING A MICRO-STAMP GEL; filed 30 September 1997.//Patent application 08/940,737: RED LIGHT SOURCE; filed 30 September 1997.//Patent application 08/941,932: MECHANICAL CRUSH GAUGE AND METHOD OF USING SAME TO MEASURE FREE-FIELD ENERGY FLUX DENSITY; filed 30 September 1997.//Patent application 08/942,191: MID SHIPS TOW POINT FOR SINGLE LINE AND MULTI LINE TOWED ARRAYS; filed 1 October 1997.//Patent application 08/942,192: ISOLATED SENSING DEVICE HAVING AN ISOLATION HOUSING; filed 1 October 1997.//Patent application 08/944,105: FIBER OPTIC CABLE FURCATION UNIT; filed 30 September 1997.//Patent application 08/948,013: COMBINED WEDGE-FLAP FOR IMPROVED SHIP POWERING; filed 10 October 1997.//Patent application 08/954,885: ADJUSTABLE LIFTING AND PRECISION POSITIONING DEVICE; filed 9 October 1997.//Patent application 08/954,888: TORPEDO TUBE TEST PLUG; filed 9 October 1997.//Patent application 08/962,454: FRINGE FIELD SUPERCONDUCTING SWITCH; filed 31 October 1997.//Patent application 08/965,023: AMMONOTHERMAL GROWTH OF CHALCOGENIDE SINGLE CRYSTAL MATERIALS; filed 5 November 1997.// Patent application 08/977,569: PROCESSOR FOR INTERFACING A NTDS DEVICE TO A DEVICE HAVING A BUS TOPOLOGY; filed 25 November 1997.//Patent application 08/989,271: CHEMICAL WARFARE AGENT DECONTAMINANT SOLUTION USING QUATERNARY AMMONIUM COMPLEXES; filed 11 December 1997./ /Patent application 09/007,826: PHTHALONITRILE MONOMER/ CURING ADDITIVE COMPOSITIONS; filed 15 January 1998.//Patent application 09/045,853: FIELD EMITTER CELL AND ARRAY WITH VERTICAL THIN-FILM-EDGE EMITTER; filed 23 March 1998.//

FOR FURTHER INFORMATION CONTACT: Mr. R.J. Erickson, Staff Patent Attorney, Office of Naval Research (Code OOCC), Arlington, VA 22217–5660, telephone (703) 696–4001.

(Authority: 35 U.S.C. 207; 37 CFR Part 404).

Dated: July 1, 1998.

Lou Rae Langevin,

LT, JAGC, USN, Alternate Federal Register Liaison Officer.

[FR Doc. 98–18702 Filed 7–13–98; 8:45 am]

BILLING CODE 3810–FF–P

DEPARTMENT OF DEFENSE

Department of the Navy

Open Meeting of the Board of Advisors to the Superintendent; Naval Postgraduate School, Monterey, California

AGENCY: Department of the Navy, DOD.

ACTION: Notice.

SUMMARY: Notice is hereby given that the Board of Advisors to the Superintendent, Naval Postgraduate School, Monterey, California will meet pursuant to the provisions of the Federal Advisory Committee Act (Pub. L. 92–463, 5 USC App. 2). All sessions will be open to the public.

DATES: The meetings will be held on Monday, July 27, 1998 from 8:30 a.m. to 5:00 p.m., and on Tuesday, July 28, 1998 from 8:30 a.m. to 4:30 p.m.

ADDRESSES: The meetings will be held in Hermann Hall (Building 220) at the Naval Postgraduate School, Monterey, California.

FOR FURTHER INFORMATION CONTACT: Ms. Jaye Panza, Naval Postgraduate School, Monterey, California, 93943–5000, telephone (408) 656–2514.

SUPPLEMENTARY INFORMATION: The purpose of the meeting is to elicit the advice of the board on the Navy's Postgraduate Education Program. The board examines the effectiveness with which the Naval Postgraduate School is accomplishing its mission. To this end, the board will inquire into the curricula; instruction; physical equipment; administration; state of morale of the student body, faculty, and staff; fiscal affairs; and any other matters relating to the operation of the Naval Postgraduate School as the board considers pertinent.

Dated: July 2, 1998.

Lou Rae Langevin,

Lt, JAGC, USN, Alternate Federal Liaison Officer.

[FR Doc. 98–18701 Filed 7–13–98; 8:45 am]

BILLING CODE 3814–FF–P

DEPARTMENT OF EDUCATION

Submission for OMB Review; Comment Request

AGENCY: Department of Education.

ACTION: Submission for OMB review; comment request

SUMMARY: The Acting Deputy Chief Information Officer, Office of the Chief Information Officer, invites comments on the submission for OMB review as required by the Paperwork Reduction Act of 1995.

DATES: Interested persons are invited to submit comments on or before August 13, 1998.

ADDRESSES: Written comments should be addressed to the Office of Information and Regulatory Affairs, Attention: Danny Werfel, Desk Officer, Department of Education, Office of Management and Budget, 725 17th Street, NW., Room 10235, New Executive Office Building, Washington, DC 20503. Requests for copies of the proposed information collection requests should be addressed to Patrick J. Sherrill, Department of Education, 600 Independence Avenue, S.W., Room 5624, Regional Office Building 3, Washington, D.C. 20202–4651.

FOR FURTHER INFORMATION CONTACT: Patrick J. Sherrill (202) 708–8196. Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 between 8 a.m. and 8 p.m., Eastern time, Monday through Friday.

SUPPLEMENTARY INFORMATION: Section 3506 of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35) requires that the Office of Management and Budget (OMB) provide interested Federal agencies and the public an early opportunity to comment on information collection requests. OMB may amend or waive the requirement for public consultation to the extent that public participation in the approval process would defeat the purpose of the information collection, violate State or Federal law, or substantially interfere with any agency's ability to perform its statutory obligations. The Acting Deputy Chief Information Officer, Office of the Chief Information Officer, publishes this notice containing proposed information collection requests prior to submission of these requests to OMB. Each proposed information collection, grouped by office, contains the following: (1) Type of review requested, e.g., new, revision, extension, existing or reinstatement; (2) Title; (3) Summary of the collection; (4) Description of the need for, and proposed use of, the information; (5) Respondents and frequency of collection; and (6) Reporting and/or Recordkeeping burden. OMB invites public comment at the address specified above. Copies of the requests are available from Patrick J. Sherrill at the address specified above.

Dated: July 9, 1998.

Hazel Fiers,

Acting Deputy Chief Information Officer, Office of the Chief Information Officer.

Office of Postsecondary Education

Type of Review: Revision.

Title: Loan Servicing Appeals of William D. Ford Federal Direct Loan Program Cohort Rates.

Frequency: On Occasion.

Affected Public: Business or other for-profit; Not-for-profit institutions; State, local or Tribal Gov't, SEAs or LEAs.

Reporting and Recordkeeping Hour Burden:

Responses: 97,063

Burden Hours: 965,106

Abstract: The proposed rules would provide for a school's appeal of the inclusion of a Direct Loan in its cohort rate on the basis of improper loan servicing or collection. The proposed rules would also clarify requirements concerning when a rate is final.

[FR Doc. 98–18679 Filed 7–13–98; 8:45 am]

BILLING CODE 4000–01–U

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP98–637–000]

Columbia Gas Transmission Corporation; Notice of Application

July 8, 1998.

Take notice that on June 26, 1998, Columbia Gas Transmission Corporation (Columbia), 12801 Fair Lakes Parkway, Fairfax, Virginia 22030–0146 filed an application pursuant to Sections 7(b) and 7(c) of the Natural Gas Act and Part 157 of the Commission's Regulations for authorization permitting and approving the abandonment of pipeline facilities and a certificate of public convenience and necessity to construct and operate replacement pipeline facilities, an increase in deliverability from an existing storage field, and reacquisition of certain pipeline capacity storage wells, as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Columbia requests authorization for the following;

- Abandonment of 6.9 miles of 12-inch pipeline and appurtenant facilities on Line VM–108, in Sussex County, Virginia.
- Construction and operation of 6.9 miles of 20-inch pipeline and appurtenant facilities in Sussex County, Virginia (replacing the 12-inch pipeline to be abandoned).
- Increase the deliverability of the Glady Storage Field in Randolph and Pocahontas Counties, West Virginia by enhancing two existing wells.
- Reacquire existing pipeline capacity on Columbia's Solo Pipeline between the Emoria and Petersburg Compressor Stations from Transco Energy Marketing Company.

Columbia states that the proposed replacement is primarily due to age and condition. In addition, replacement of 12-inch with 20-inch pipeline will permit Columbia to fulfill a request by Virginia Natural Gas Company (VNG) for an additional 14,625 Dth per day in Firm Storage Service (FSS) and associated Firm Storage Transportation (SST) to its Norfolk, Virginia delivery point. The estimated cost of the proposed project is $7,193,200. The incremental costs associated with additional service to VNG are estimated to be $2,706,200.

Any person desiring to be heard or to make any protest with reference to said application should on or before July 29, 1998, file with the Federal Energy Regulatory Commission, 888 First

Street, NE., Washington, DC 20426, a motion to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214) and the regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. The Commission's rules require that protestors provide copies of their protests to the party or parties directly involved. Any person wishing to become a party in any proceeding herein must file a motion to intervene in accordance with the Commission's rules.

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

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

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

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

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

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18654 Filed 7–13–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP98–638–000]

Columbia Gulf Transmission Company; Notice of Request Under Blanket Authorization

July 8, 1998.

Take notice that on June 26, 1998, Columbia Gulf Transmission Company (Columbia Gulf), 206 Augusta, STE 125, Post Office Box 683, Houston, Texas 77001–0683, filed in Docket No. CP98–638–000, a request pursuant to Sections 157.205 and 157.211 of the Commission's Regulations under the Natural Gas Act (18 CFR 157.205 and 157.211) and Columbia Gulf's blanket certificate issued in Docket No. CP83–496–000, pursuant to 18 CFR Part 157, Subpart F of the Natural Gas Act, to construct and operate delivery facilities for Tennessee Valley Authority (TVA), in Wilson, County, Tennessee, all as more fully set forth in the request which is on file with the Commission and open to public inspection.

Specifically, Columbia Gulf requests authorization to construct and operate the delivery facilities for interruptible transportation service to TVA to serve the Gallatin Plant and would provide the service pursuant to its blanket certificate authority under existing authorized rate schedules and within certificated entitlements and pursuant to TVA's request. Columbia Gulf states that TVA has requested interruptible transportation service of 240 MDth per day under Columbia Gulf's Rate Schedule ITS–1.

Columbia Gulf indicates that the facilities would include a 12-inch tap, 12-inch ball value, and 12-inch ring joint blind flange on its 30-inch mainline lateral. Columbia Gulf states that the cost to construct the facilities would be approximately $893,400 and would be paid for by TVA. Columbia Gulf also states that it would comply with all of the environmental requirements of Sections 157.206(d) of the Commission's Regulations prior to the construction of any facilities.

In addition, it is indicated in the agreement between Columbia and TVA that TVA would own and be responsible for the design and construction of 2.3 miles of 12-inch lateral pipeline extending to its Gallatin Plant. It is further indicated that nothing shall prohit or restrict TVA from selling or otherwise transferring all or part of its ownership interest in the lateral pipeline to a third party that will transport gas through the lateral pipeline.

Any person or the Commission's staff may, within 45 days after issuance of the instant notice by the Commission, file pursuant to Rule 214 of the Commission's Procedural Rules (18 CFR 385.214) motion to intervene of notice of intervention and pursuant to Section 157.205 of the Regulations under the Natural Gas Act (18 CFR 157.205) a protest to the request. If no protest is filed within the time allowed therefor, the proposed activity shall be deemed to be authorized effective the day after the time allowed for filing a protest. If a protest is filed and not withdrawn within 30 days after the time allowed for filing a protest, the instant request shall be treated as an application for authorization pursuant to Section 7 of the Natural Gas Act.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18655 Filed 7–13–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP98–647–000]

Florida Gas Transmission Company; Notice of Application To Abandon

July 8, 1998.

Take notice that on July 1, 1998, Florida Gas Transmission Company (FGT), P.O. Box 1188, Houston, Texas 77251–1188, filed under Section 7(b) of the Natural Gas Act, for authority to abandon by sale to Acacia Natural Gas Corporation (Acacia) gas facilities consisting of 43.7 miles of pipeline in the counties of Jackson, Calhoun, and Matagorda, Texas. FGT also seeks a determination that the facilities, will not be subject to Commission jurisdiction

under NGA Section 1(b) once they are conveyed to Acacia and disconnected from FGT's system. This application is on file with the Commission and open to public inspection.

Specifically, FGT proposes to sell the Palacios Lateral consisting of 12.1 miles of 6-inch line and a measurement station, the Palacios Loop consisting of 13.5 miles of 8-inch line, the Appling Lateral consisting of 11.9 miles of 4-inch line, the North LaWard Lateral consisting of 6.1 miles of 6-inch line, and the Mobil North LaWard Lateral consisting of 0.1 miles of 2-inch line. FGT states that it has no natural gas reserves attached to the facilities and that throughput is minimal.

FGT also seeks a determination that the facilities will be exempt from Commission jurisdiction after they are sold and disconnected from FGT's system. FGT states that Acacia will use the pipelines for gathering.

Any person desiring to be heard or make a protest with reference to said application should on or before July 29, 1998, file with the Federal Energy Regulatory Commission, 888 First Street, NE, Washington DC 20426, a motion to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211) and the regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the Protesters parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a motion to intervene in accordance with the Commission's Rules.

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

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

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18656 Filed 7–13–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP97–724–000]

NorAm Gas Transmission Company; Notice of Site Visit

July 8, 1998.

The staff of the Federal Energy Regulatory Commission (FERC or Commission) will be conducting a site visit for NorAm Gas Transmission Company's Line F Replacement Project in Caddo, Bossier, Webster, Claiborne, and Lincoln Parishes, Louisiana on Thursday and Friday, July 16 & 17, 1998.

Anyone interested in participating in the site visit or requiring additional information about the project may contact Paul McKee in the Commission's Office of External Affairs at (202) 208–1088. Participants must provide their own transportation.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18653 Filed 7–13–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 2042–010]

Public Utility District No. 1 of Pend Oreille County; Notice Rescinding Notice of Offer of Settlement

July 8, 1998.

On May 14, 1998, the United States Department of the Interior, through the Bureau of Indian Affairs and the U.S. Fish and Wildlife Service, the Public Utility District No. 1 of Pend Oreille County, Washington, the Kalispel Tribe of Indians, the Washington State Department of Fish and Wildlife, and the United States Forest Service filed an Offer of Settlement which, if approved by the Commission, would resolve the pending license amendment application for the Box Canyon Project No. 2042, filed by the District on February 18, 1997.

Notice of the Settlement Agreement was issued on may 27, 1998, 63 FR 29,983 (June 2, 1998), establishing dates of June 17, 1998, for comments and June 29, 1998, for reply comments. A second notice of the Settlement Agreement was inadvertently issued on June 25, 1998, 63 Fed. Reg. 35,920 (July 1, 1998). The June 25, 1998 notice is hereby revoked.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18657 Filed 7–13–98; 8:45 am]

BILLING CODE 6717–01–M

FEDERAL EMERGENCY MANAGEMENT AGENCY

[FEMA–1223–DR]

Florida; Amendment No. 3 to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster for the State of Florida, (FEMA–1223–DR), dated June 18, 1998, and related determinations.

EFFECTIVE DATE: June 29, 1998.

FOR FURTHER INFORMATION CONTACT: Madge Dale, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646–3260.

SUPPLEMENTARY INFORMATION: The notice of a major disaster for the State of Florida, is hereby amended to include reimbursement of local municipal fire fighting costs (Category B) under the Public Assistance program in the following areas among those areas determined to have been adversely affected by the catastrophe declared a major disaster by the President in his declaration of June 18, 1998:

Alachua, Baker, Bradford, Brevard, Clay, Citrus, Columbia, Dixie, Duval, Flagler, Gilchrist, Gulf, Hamilton, Hernando, Lafayette, Lake, Lee, Levy, Madison, Marion, Nassau, Okaloosa, Orange, Osceola, Pasco, Putnam, St. Johns, Seminole, Sumter, Suwannee, Taylor, Union, Volusia, and Walton Counties.

All counties in the State of Florida are eligible to apply for assistance under the Hazard Mitigation Grant Program.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing

Program; 83.548, Hazard Mitigation Grant Program.)

Lacy E. Suiter,

Executive Associate Director, Response and Recovery Directorate.

[FR Doc. 98–18713 Filed 7–13–98; 8:45 am]

BILLING CODE 6718–02–P

FEDERAL EMERGENCY MANAGEMENT AGENCY

[FEMA–1223–DR]

Florida; Amendment No. 4 to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster for the State of Florida, (FEMA–1223–DR), dated June 18, 1998, and related determinations.

EFFECTIVE DATE: June 29, 1998.

FOR FURTHER INFORMATION CONTACT: Madge Dale, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646–3260.

SUPPLEMENTARY INFORMATION: The notice of a major disaster for the State of Florida, is hereby amended to include movement and use of Federal resources and reimbursement for the eligible costs associated with that use for all 67 counties in the State of Florida.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing Program; 83.548, Hazard Mitigation Grant Program)

Lacy E. Suiter,

Executive Associate Director, Response and Recovery Directorate.

[FR Doc. 98–18714 Filed 7–13–98; 8:45 am]

BILLING CODE 6718–02–P

FEDERAL EMERGENCY MANAGEMENT AGENCY

[FEMA–1223–DR]

Florida; Amendment No. 5 to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster for the State of Florida, (FEMA–1223–DR), dated June 18, 1998, and related determinations.

EFFECTIVE DATE: July 2, 1998.

FOR FURTHER INFORMATION CONTACT: Madge Dale, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646–3260.

SUPPLEMENTARY INFORMATION: The notice of a major disaster for the State of Florida, is hereby amended to include Category B under the Public Assistance program in the following areas among those areas determined to have been adversely affected by the catastrophe declared a major disaster by the President in his declaration of June 18, 1998.

Alachua, Baker, Bradford, Brevard, Clay, Citrus, Columbia, Dixie, Duval, Flagler, Gilchrist, Gulf, Hamilton, Hernando, Lafayette, Lake, Lee, Levy, Madison, Marion, Nassau, Okaloosa, Orange, Osceola, Pasco, Putnam, St. Johns, Seminole, Sumter, Suwannee, Taylor, Union, Volusia, and Walton Counties.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing Program; 83.548, Hazard Mitigation Grant Program)

Lacy E. Suiter,

Executive Associate Director, Response and Recovery Directorate.

[FR Doc. 98–18715 Filed 7–13–98; 8:45 am]

BILLING CODE 6718–02–P

FEDERAL EMERGENCY MANAGEMENT AGENCY

[FEMA–1224–DR]

Massachusetts; Major Disaster and Related Determinations

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Notice.

SUMMARY: This is a notice of the Presidential declaration of a major disaster for the Commonwealth of Massachusetts (FEMA–1224–DR), dated June 23, 1998, and related determinations.

EFFECTIVE DATE: June 23, 1998.

FOR FURTHER INFORMATION CONTACT: Madge Dale, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646–3260.

SUPPLEMENTARY INFORMATION: Notice is hereby given that, in a letter dated June 23, 1998, the President declared a major disaster under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 *et seq.*), as follows:

I have determined that the damage in certain areas of the Commonwealth of Massachusetts, resulting from heavy rains and flooding beginning on June 13, 1998, and continuing is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, P.L. 93–288, as amended (''the Stafford Act''). I, therefore, declare that such a major disaster exists in the Commonwealth of Massachusetts.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes, such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide Individual Assistance and Hazard Mitigation in the designated areas and any other forms of assistance under the Stafford Act you may deem appropriate. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Hazard Mitigation will be limited to 75 percent of the total eligible costs. If Public Assistance is later requested and warranted, Federal funds provided under that program will also be limited to 75 percent of the total eligible costs.

The time period prescribed for the implementation of section 310(a), Priority to Certain Applications for Public Facility and Public Housing Assistance, 42 U.S.C. 5153, shall be for a period not to exceed six months after the date of this declaration.

Notice is hereby given that pursuant to the authority vested in the Director of the Federal Emergency Management Agency under Executive Order 12148, I hereby appoint Sharon Stoffel of the Federal Emergency Management Agency to act as the Federal Coordinating Officer for this declared disaster.

I do hereby determine the following areas of the Commonwealth of Massachusetts to have been affected adversely by this declared major disaster:

Bristol, Essex, Middlesex, Norfolk, and Suffolk Counties for Individual Assistance.

All counties within the Commonwealth of Massachusetts are eligible to apply for assistance under the Hazard Mitigation Grant Program.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment

Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing Program; 83.548, Hazard Mitigation Grant Program.)

James L. Witt,

Director.

[FR Doc. 98–18716 Filed 7–13–98; 8:45 am]

BILLING CODE 6718–02–P

FEDERAL EMERGENCY MANAGEMENT AGENCY

[FEMA–1224–DR]

Massachusetts; Amendment No. 1 to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster for the State of Massachusetts, (FEMA–1224–DR), dated June 23, 1998, and related determinations.

EFFECTIVE DATE: July 2, 1998.

FOR FURTHER INFORMATION CONTACT: Madge Dale, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646–3260.

SUPPLEMENTARY INFORMATION: The notice of a major disaster for the State of Massachusetts is hereby amended to include the following areas among those areas determined to have been adversely affected by the catastrophe declared a major disaster by the President in his declaration of June 23, 1998:

Plymouth and Worcester Counties for Individual Assistance.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing Program; 83.548, Hazard Mitigation Grant Program)

Laurence W. Zensinger,

Division Director, Response and Recovery Directorate.

[FR Doc. 98–18717 Filed 7–13–98; 8:45 am]

BILLING CODE 6718–02–P

FEDERAL EMERGENCY MANAGEMENT AGENCY

[FEMA–1225–DR]

Minnesota; Major Disaster and Related Determinations

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Notice.

SUMMARY: This is a notice of the Presidential declaration of a major disaster for the State of Minnesota (FEMA–1225–DR), dated June 23, 1998, and related determinations.

EFFECTIVE DATE: June 23, 1998.

FOR FURTHER INFORMATION CONTACT: Madge Dale, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646–3260.

SUPPLEMENTARY INFORMATION: Notice is hereby given that, in a letter dated June 23, 1998, the President declared a major disaster under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 *et seq.*), as follows:

I have determined that the damage in certain areas of the State of Minnesota, resulting from severe storms, straight-line winds and tornadoes on May 15–30, 1998, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, P.L. 93–288, as amended (''the Stafford Act''). I, therefore, declare that such a major disaster exists in the State of Minnesota.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes, such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide Public Assistance and Hazard Mitigation in the designated areas and any other forms of assistance under the Stafford Act you may deem appropriate. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Public Assistance or Hazard Mitigation will be limited to 75 percent of the total eligible costs.

The time period prescribed for the implementation of section 310(a), Priority to Certain Applications for Public Facility and Public Housing Assistance, 42 U.S.C. 5153, shall be for a period not to exceed six months after the date of this declaration.

Notice is hereby given that pursuant to the authority vested in the Director of the Federal Emergency Management Agency under Executive Order 12148, I hereby appoint Lawrence L. Bailey of the Federal Emergency Management Agency to act as the Federal Coordinating Officer for this declared disaster.

I do hereby determine the following areas of the State of Minnesota to have been affected adversely by this declared major disaster:

Anoka, Blue Earth, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington Counties for Public Assistance.

All counties within the State of Minnesota are eligible to apply for assistance under the Hazard Mitigation Grant Program.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing Program; 83.548, Hazard Mitigation Grant Program)

James L. Witt,

Director.

[FR Doc. 98–18718 Filed 7–13–98; 8:45 am]

BILLING CODE 6718–02–P

FEDERAL EMERGENCY MANAGEMENT AGENCY

[FEMA–1227–DR]

Ohio; Amendment No. 1 to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster for the State of Ohio, (FEMA–1227–DR), dated June 30, 1998, and related determinations.

EFFECTIVE DATE: July 2, 1998.

FOR FURTHER INFORMATION CONTACT: Madge Dale, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646–3260.

SUPPLEMENTARY INFORMATION: The notice of a major disaster for the State of Ohio, is hereby amended to include Categories C through G in the following areas determined to have been adversely affected by the catastrophe declared a major disaster by the President in his declaration of June 30, 1998:

Guernsey, Muskingum, Noble, and Washington Counties for Categories C through G (already designated for Categories A and B and Individual Assistance).

Athens, Jefferson, and Knox Counties for Individual Assistance and Public Assistance.

Belmont, Jackson, and Ottawa Counties for Individual Assistance.

Meigs County for Public Assistance.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used

for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing Program; 83.548, Hazard Mitigation Grant Program)

Lacy E. Suiter,

Executive Associate Director, Response and Recovery Directorate.

[FR Doc. 98–18719 Filed 7–13–98; 8:45 am]

BILLING CODE 6718–02–P

FEDERAL EMERGENCY MANAGEMENT AGENCY

[FEMA–1219–DR]

Pennsylvania; Amendment to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster for the Commonwealth of Pennsylvania, (FEMA–1219–DR), dated June 8, 1998, and related determinations.

EFFECTIVE DATE: June 25, 1998.

FOR FURTHER INFORMATION CONTACT: Madge Dale, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646–3260.

SUPPLEMENTARY INFORMATION: The notice of a major disaster for the Commonwealth of Pennsylvania, is hereby amended to include Categories A and B under the Public Assistance program in those areas determined to have been adversely affected by the catastrophe declared a major disaster by the President in his declaration of June 8, 1998:

The counties of Allegheny, Beaver, Berks, Somerset and Wyoming Counties for Categories A and B under the Public Assistance program (already designated for Individual Assistance and Hazard Mitigation).

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing Program; 83.548, Hazard Mitigation Grant Program)

Lacy E. Suiter,

Executive Associate Director, Response and Recovery Directorate.

[FR Doc. 98–18712 Filed 7–13–98; 8:45 am]

BILLING CODE 6718–02–P

FEDERAL EMERGENCY MANAGEMENT AGENCY

[FEMA–3127–EM]

Texas; Emergency and Related Determinations

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Notice.

SUMMARY: This is a notice of the Presidential declaration of an emergency for the State of Texas (FEMA–3127–EM), dated June 23, 1998, and related determinations.

EFFECTIVE DATE: June 23, 1998.

FOR FURTHER INFORMATION CONTACT: Madge Dale, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646–3260.

SUPPLEMENTARY INFORMATION: Notice is hereby given that, in a letter dated June 23, 1998, the President declared an emergency under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 *et seq.*), as follows:

I have determined that the emergency conditions in the State of Texas, resulting from extreme fire hazards beginning on June 4, 1998, is of sufficient severity and magnitude to warrant an emergency declaration under Title V, Section 501 (a) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Pub. L. 93–288, as amended (''the Stafford Act''). I, therefore, declare that such an emergency exists in the State of Texas.

You are authorized to coordinate with other Federal agencies to provide any form of direct Federal assistance which you deem appropriate for required emergency measures, authorized under the Stafford Act, to save lives, protect property and public health and safety, and lessen or avert the threat of a catastrophe in the designated areas. You are also authorized to provide reimbursement for the eligible costs associated with the pre-staging of Emergency Management Assistance Compact fire suppression assets. In addition, you are authorized to provide such other forms of assistance under the Stafford Act, as you may deem appropriate.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes, such amounts, as you find necessary for Federal disaster assistance and administrative expenses. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act will be limited to 75 percent of the total eligible costs.

Notice is hereby given that pursuant to the authority vested in the Director of the Federal Emergency Management Agency under Executive Order 12148, I hereby appoint Graham Nance of the Federal Emergency Management Agency to act as the Federal Coordinating Officer for this declared disaster.

I do hereby determine the following areas of the State of Texas to have been affected adversely by this declared emergency:

FEMA has been authorized to coordinate with other Federal agencies to provide any form of direct Federal assistance appropriate for required emergency measures, authorized under the Stafford Act, to save lives, protect property and public health and safety, and lessen or avert the threat of a catastrophe in the State of Texas. Reimbursement for the eligible costs associated with the pre-staging of Emergency Management Assistance Compact's fire suppression assets is authorized.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing Program; 83.548, Hazard Mitigation Grant Program)

James L. Witt,

Director.

[FR Doc. 98–18711 Filed 7–13–98; 8:45 am]

BILLING CODE 6718–02–P

FEDERAL EMERGENCY MANAGEMENT AGENCY

[FEMA–1229–DR]

West Virginia; Amendment No. 1 to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster for the State of West Virginia, (FEMA–1229–DR), dated July 1, 1998, and related determinations.

EFFECTIVE DATE: July 6, 1998.

FOR FURTHER INFORMATION CONTACT: Madge Dale, Response and Recovery Directorate, Federal Emergency Management Agency, Washington, DC 20472, (202) 646–3260.

SUPPLEMENTARY INFORMATION: The notice of a major disaster for the State of West

Virginia, is hereby amended to include Categories C through G under the Public Assistance program in the following areas among those areas determined to have been adversely affected by the catastrophe declared a major disaster by the President in his declaration of July 1, 1998:

Braxton, Gilmer, Jackson, Kanawha, Roane and Wood Counties for Categories C through G under Public Assistance (already designated for Individual Assistance and Categories A and B under Public Assistance).

Calhoun, Clay, Doddridge, Lewis, Marion, Pleasants, Ritchie, Tyler, and Wirt Counties for Individual Assistance and Public Assistance.

Harrison, Marshall, Ohio, Webster, and Wetzel Counties for Public Assistance.

(The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 83.537, Community Disaster Loans; 83.538, Cora Brown Fund Program; 83.539, Crisis Counseling; 83.540, Disaster Legal Services Program; 83.541, Disaster Unemployment Assistance (DUA); 83.542, Fire Suppression Assistance; 83.543, Individual and Family Grant (IFG) Program; 83.544, Public Assistance Grants; 83.545, Disaster Housing Program; 83.548, Hazard Mitigation Grant Program.)

Lacy E. Suiter,

Executive Associate Director, Response and Recovery Directorate.

[FR Doc. 98–18720 Filed 7–13–98; 8:45 am]

BILLING CODE 6718–02–P

FEDERAL MARITIME COMMISSION

Ocean Freight Forwarder License; Applicants

Notice is hereby given that the following applicants have filed with the Federal Maritime Commission applications for licenses as ocean freight forwarders pursuant to section 19 of the Shipping Act of 1984 (46 U.S.C. app. 1718 and 46 CFR 510).

Persons knowing of any reason why any of the following applicants should not receive a license are requested to contact the Office of Freight Forwarders, Federal Maritime Commission, Washington, D.C. 20573.

Cross Trans Service USA, Inc., 1480 Elmhurst Road, Elk Grove Village, IL 60007. Officers: Kurt Konodi-Floch, President, Katherine Lovejoy-Berman, Vice President.

Dated: July 9, 1998.

Joseph C. Polking,

Secretary.

[FR Doc. 98–18737 Filed 7–13–98; 8:45 am]

BILLING CODE 6730–01–M

FEDERAL MARITIME COMMISSION

Ocean Freight Forwarder License Applicants

Notice is hereby given that the following applicants have filed with the Federal Maritime Commission applications for licenses as ocean freight forwarders pursuant to section 19 of the Shipping Act of 1984 (46 U.S.C. app. 1718 and 46 CFR 510).

Persons knowing of any reason why any of the following applicants should not receive a license are requested to contact the Office of Freight Forwarders, Federal Maritime Commission, Washington, D.C. 20573.

Crowley Logistics, Inc., 9487 Regency Square Boulevard, Jacksonville, FL 32225, Officers: Elliott, Burnside, President, John Hourihan, Vice President

Millennium Shipping Company, 4100 East 51st Street, Suite 104, Tulsa, OK 74135, Officers: Steven C. Reynolds, President, Karin R. Reynolds, Vice President

D. Kratt International, Inc., 841 Sivert Drive, Wood Dale, IL 60191, Officers: David P. Kratt, President, Robert Van Gent, Vice President

Dated: July 8, 1998.

Joseph C. Polking,

Secretary.

[FR Doc. 18664 Filed 7–13–98; 8:45 am]

BILLING CODE 6730–01–M

FEDERAL MEDIATION AND CONCILIATION SERVICE

Proposed Agency Information Collection Activities; Comment Request

AGENCY: Federal Mediation and Conciliation Service (FMCS).

ACTION: Notice.

SUMMARY: This notice announces that three Information Collection Requests (ICR) are coming up for renewal. These ICRs are: FMCS Arbitrator's Report and Fee Statement (Agency Form R–19), the Arbitrator's Personal Data Questionnaire (Agency Form R–22), and the Request for Arbitration Services (Agency Form R–43). The request seeks OMB approval to extend the expiration data of Forms R–19, R–22 and R–43 until November 30 ,1998. FMCS is soliciting comments on specific aspects of the collections as described below.

DATES: Comments must be submitted on or before September 11, 1998.

ADDRESSES: Submit written comments identified by the appropriate agency form number by mail to: Office of Arbitration Services, FMCS, 2100 K Street, NW, Washington, D.C. 20427, Room 707, 202/606–5111 ATTN: Annette Glaspie. Copies of the complete agency forms may be obtained from the Office of Arbitration Services at the above address or by contacting the person whose name appears under the section headed, **FOR FURTHER INFORMATION CONTACT.**

Comments and data may also be submitted by fax at (202) 606–3749 or electronic mail (e-mail) to pgmsvcsfmcs.gov. All comments and data in electronic form must be identified by the appropriate agency form number. No confidential business information (CBI) should be submitted through e-mail.

Information submitted as a comment concerning this document may be claimed confidential by marking any part or all of the information as ''CBI''. Information so marked will not be disclosed but a copy of the comment that does not contain CBI must be submitted for inclusion in the public record. Information not marked confidential may be disclosed publicly by FMCS without prior notice. All written comments will be available for inspection in Room 707 at the Washington, D.C. address above from 8:30 AM to 4:30 PM, Monday through Friday, excluding legal holidays.

FOR FURTHER INFORMATION CONTACT: Peter L. Regner, Director of Program Services, FMCS 2100 K Street, NW, Washington, D.C. 20427. Telephone 202/606–8181; Fax 202/606/4216.

SUPPLEMENTARY INFORMATION: Copies of each of the agency forms are available from the Office of Arbitration Services by calling, faxing, or writing, to Ms. Glaspie at the above address. Please ask for the form by title and agency form number.

I. Information Collection Requests

FMCS is seeking comments on the following Information Collection Requests (ICRs).

Title: Arbitrator's Personal Data Questionnaire. ICR is R–22, OMB No. 3076–0001. Emergency expiration data 11/30/98.

Affecting entities: Parties affected by this information collection are individuals who apply for admission to the FMCS Roster of Arbitrators.

Abstract: Title II of the Labor Management Relations Act of 1947 (Public Law 90–101) as amended in 1959 (Public Law 86–527) and 1974 (Public Law 93–360), states that it is the labor policy of the United States that ''the settlement of issues between

employers and employees through collective bargaining may be advanced by making available full and adequate governmental facilities for conciliation, mediation, and voluntary arbitration to encourage employees and representatives of their employees to reach and maintain agreements rates of pay, hours, and working conditions, and to make all reasonable efforts to settle their differences by mutual agreement reached through conferences and collective bargaining or by such methods as may be provided for in any applicable agreement for the settlement of disputes.'' Under its regulations at 29 C.F.R. Part 1404, FMCS has established policies and procedures for its arbitration function dealing with all arbitrators listed on the FMCS Roster of Arbitrators, all applicants for listing on the Roster, and all person or parties seeking to obtain from FMCS either names or panels of names of arbitrators listed on the Roster in connection with disputes which are to be submitted to arbitration or fact-finding. FMCS strives to maintain the highest quality of dispute resolvers on it roster. To ensure that purpose, it asks all candidates to complete an application form.

The purpose of this collection is to gather information about applicants for inclusion in the FMCS Roster of Arbitrators. This questionnaire is needed in order that FMCS may select highly qualified individuals for the arbitrator roster. The respondents are private citizens who make application for appointment to FMCS roster. This objection is pursuant to 29 U.S.C. 171(b)(, 29 C.F.R. Part 1404. This notice is a request to extend the existing form which is currently approved collection without any change in the substance or method of collection.

Burden Statement: The number of respondents is approximately 250 individuals per year; the approximate number of individuals who request membership on the FMCS Roster. The time required to complete this questionnaire is approximately one and one-half hour to complete the application. Each respondent is required to respond only once per application, and once per year for updating the biographical sketch.

Title: Request for Arbitration Services. ICR No. R–43, OMB No. 3076–0002; Emergency expiration date: 11/30/98.

Affected Entities: Employers and their representatives, employees, labor unions and their representatives who request arbitration services.

Abstract: Pursuant to 29 U.S.C. 171(b) and 29 CFR part 1404, FMCS offers panels of arbitrators for selection by labor and management to resolve grievances and disagreements arising under their collective bargaining agreements and to deal with fact finding and interest arbitration issues as well. The need for this form is to obtain information such as name, address, type of assistance desired, so that the FMCS can respond to requests efficiently and effectively for various arbitration services (e.g. furnishing lists of seven arbitrators to parties). The purpose of this information collection is to facilitate the processing of the party's request for arbitration assistance. No third party notification or public disclosure burden is associated with this collection. This notice for comments refers to a revision of the current form to include information regarding payment for services and to note if the request involves Expedited Arbitration.

Burden Statement: The current total annual burden estimate is that FMCS will receive requests from approximately 15,000 respondents per year. In most instances, the form is completed only once and takes about ten minutes to complete. Thus, the frequency of request for an arbitration panels is usually only once.

Title: Arbitrator's Report and Fee Statement. ICR Form R–19; OMB No. 3076–0003. Emergency expiration date: November 30, 1998.

Affected Entities: Individual arbitrators who render awards under appointment by the FMCS procedures.

Abstract: Pursuant to 29 U.S.C. 171(b) and 29 CFR part 1404, FMCS assumes a responsibility to monitor the work of the arbitrators who serve on its roster. This is satisfied through the requirement of completion of report and fee statement which indicates when the arbitration award was rendered, the file number, the company and union, the issues, whether briefs were filed and transcripts taken, if there were any waivers by parties on the date the award was due, and the fees and days for services as an arbitrator. This information is then contained in the agency's annual report to indicate the types of arbitration issues, the average or median arbitration fees and days spent on cases. This notice request is for an extension of the form which is currently approved for collection; no change in the substance or method of collection is involved.

Burden Statement: FMCS receives approximately 4000 responses per year. The form is only filled out once and the time required is approximately ten minutes. FMCS uses this form to review arbitrator conformance with its fee and expense reporting requirements. This information is then contained in the agency's annual report to indicate the types of arbitration issues, the average or median arbitration fees and days spent on cases. This notice request is for extension of the form which is currently approved for collection; no change in the substance or method of collection is involved.

II. Request for Comments

FMCS solicits comments to:

(i) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility.

(ii) Enhance the accuracy of the agency's estimates of the burden of the proposed collection of information.

(iii) Enhance the quality, utility, and clarity of the information to be collected.

(iv) Minimize the burden of the collection of information on those who are to respond, including the use of appropriate automated electronic collection technologies or other forms of information technology, e.g. permitting electronic and fax submission of responses.

III. The Official Record

The official record is the paper record maintained at the address in **ADDRESSES** at the beginning of this document. FMCS will transfer all electronically received comments into printed paper form as they are received.

List of Subjects

Arbitration and Information collection requests.

Dated: July 7, 1998.

Vella Traynham,

Deputy Director.

[FR Doc. 98–18729 Filed 6–13–98; 8:45 am]

BILLING CODE 6372–01–M

FEDERAL RESERVE SYSTEM

Change in Bank Control Notices; Acquisitions of Shares of Banks 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 offices 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 July 29, 1998.

A. Federal Reserve Bank of Chicago (Philip Jackson, Applications Officer) 230 South LaSalle Street, Chicago, Illinois 60690-1413:

1. Patricia Lee Joseph, Munster, Indiana; to acquire additional voting shares of First Bancshares, Inc., Highland, Indiana, and thereby indirectly acquire Centier Bank, Whiting, Indiana.

B. Federal Reserve Bank of St. Louis (Randall C. Sumner, Vice President) 411 Locust Street, St. Louis, Missouri 63102-2034:

1. David Lawrence Blaine, Paducah, Kentucky; to acquire additional voting shares of Ballard Kevil Bancorp, Inc., Kevil, Kentucky, and thereby indirectly acquire The Kevil Bank, Kevil, Kentucky.

C. Federal Reserve Bank of Kansas City (D. Michael Manies, Assistant Vice President) 925 Grand Avenue, Kansas City, Missouri 64198-0001:

1. Ronald F. Tanner, Cornville, Arizona, and Rex K. Alexander, Tulsa, Oklahoma; to acquire voting shares of BOC Banshares, Inc., Chouteau, Oklahoma, and thereby indirectly acquire voting shares of Bank of Commerce, Chouteau, Oklahoma.

Board of Governors of the Federal Reserve System, July 9, 1998.

Jennifer J. Johnson,

Secretary of the Board.

[FR Doc. 98–18743 Filed 7–13–98; 8:45 am]

BILLING CODE 6210–01–F

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. Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

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 7, 1998.

A. Federal Reserve Bank of St. Louis (Randall C. Sumner, Vice President) 411 Locust Street, St. Louis, Missouri 63102-2034:

1. Bodcaw Bancshares, Inc., Stamps, Arkansas; to become a bank holding company by acquiring 100 percent of the voting shares of Bodcaw Bank, Stamps, Arkansas.

2. Arvest Bank Group, Inc., Bentonville, Arkansas; to merge with Ameribank Corporation, Shawnee, Oklahoma, and thereby indirectly acquire United Oklahoma Bankshares, Inc., Del City, Oklahoma; American National Bank & Trust Company of Shawnee, Shawnee, Oklahoma; and United Bank, Del City, Oklahoma.

B. Federal Reserve Bank of Dallas (W. Arthur Tribble, President) 2200 North Pearl Street, Dallas, Texas 75201-2272:

1. First National Bank Group, Inc., Edinburg, Texas; to acquire 51 percent of the voting shares of Nueces National Bank, Corpus Christi, Texas.

Board of Governors of the Federal Reserve System, July 9, 1998.

Jennifer J. Johnson,

Secretary of the Board.

[FR Doc. 98–18742 Filed 7–13–98; 8:45 am]

BILLING CODE 6210–01–F

FEDERAL RESERVE SYSTEM

Notice of Proposals to Engage in Permissible Nonbanking Activities or to Acquire Companies that are Engaged in Permissible Nonbanking Activities

The companies listed in this notice have given notice under section 4 of the Bank Holding Company Act (12 U.S.C. 1843) (BHC Act) and Regulation Y, (12 CFR Part 225) to engage *de novo*, or to acquire or control voting securities or assets of a company, including the companies listed below, that engages either directly or through a subsidiary or other company, in a nonbanking activity that is listed in § 225.28 of Regulation Y (12 CFR 225.28) or that the Board has determined by Order to be closely related to banking and permissible for bank holding companies. Unless otherwise noted, these activities will be conducted throughout the United States.

Each notice is available for inspection at the Federal Reserve Bank indicated. The notice also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether the proposal complies with the standards of section 4 of the BHC Act.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than July 29, 1998.

A. Federal Reserve Bank of New York (Betsy Buttrill White, Senior Vice President) 33 Liberty Street, New York, New York 10045-0001:

1. U.S.B Holding Co., Inc., Orangeburg, New York; to acquire Tappen Zee Financial, Inc., Tarrytown, New York, and thereby indirectly acquire Tarrytowns Bank, FSB, Tarrytown, New York, and theregy engage in operating a savings association, pursuant to § 225.28(b)(4)(ii) of Regulation Y.

Board of Governors of the Federal Reserve System, July 9, 1998.

Jennifer J. Johnson,

Secretary of the Board.

[FR Doc. 98–18744 Filed 7–13–98; 8:45 am]

BILLING CODE 6210–01–F

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

Translation Advisory Committee for Diabetes Prevention and Control Programs: Notice of Charter Renewal

This gives notice under the Federal Advisory Committee Act (Public Law 92–463) of October 6, 1972, that the Translation Advisory Committee for Diabetes Prevention and Control Programs (TACDPCP) of the Centers for Disease Control and Prevention (CDC), Department of Health and Human Services, has been renewed for a 2-year period. The charter will now expire June 15, 2000.

FOR FURTHER INFORMATION CONTACT: Frank Vinicor, M.D., Executive Secretary, TACDPCP, CDC, 4770 Buford

Highway, NE, (M/S K–10), telephone 770–488–5000 or fax 770/488–5966.

Dated: July 7, 1998.

Carolyn J. Russell,

Director, Management Analysis and Services Office, Centers for Disease Control and Prevention (CDC).

[FR Doc. 98–18668 Filed 7–13–98; 8:45 am]

BILLING CODE 4861–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

Hanford Thyroid Morbidity Study Advisory Committee: Notice of Charter Renewal

This gives notice under the Federal Advisory Committee Act (Public Law 92–463) of October 6, 1972, that the Hanford Thyroid Morbidity Study Advisory Committee (HTMSAC) of the Centers for Disease Control and Prevention (CDC), Department of Health and Human Services, has been renewed for a 2-year period. The charter will now expire June 13, 2000.

FOR FURTHER INFORMATION CONTACT: Henry Falk, M.D., Executive Secretary, HTMSAC, CDC, 4770 Buford Highway, NE, (M/S F–28), telephone 770–488–7300 or fax 770/488–7044.

Dated: July 7, 1998.

Carolyn J. Russell,

Director, Management Analysis and Services Office, Centers for Disease Control and Prevention (CDC).

[FR Doc. 98–18669 Filed 7–13–98; 8:45 am]

BILLING CODE 4861–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

[Announcement Number 99012]

Notice of Availability of Funds; Applied Research Program in Emerging Infections Novel Diagnostic Tests for Infections of Public Health Significance

Introduction

The Centers for Disease Control and Prevention (CDC) announces the availability of fiscal year (FY) 1999 funds for competitive grants and/or cooperative agreements to support applied research on emerging infections. This announcement addresses the development of novel diagnostic tests for infections of public health significance.

CDC is committed to achieving the health promotion and disease prevention objectives of Healthy People 2000, a national activity to reduce morbidity and mortality and improve the quality of life. This announcement is related to the priority area of Immunization and Infectious Diseases. (For ordering a copy of Healthy People 2000, see the section **WHERE TO OBTAIN ADDITIONAL INFORMATION.**)

Authority

This program is authorized under Sections 301(a) and 317(k)(2) of the Public Health Service Act, as amended [42 U.S.C. 241(a) and 247b(k)(2)].

Smoke-Free Workplace

CDC strongly encourages all grant recipients to provide a smoke-free workplace and to promote the non-use of all tobacco products, and Pub. L. 103–227, the Pro-Children's Act of 1994, prohibits smoking in certain facilities that receive Federal funds in which education, library, day-care, health-care and early childhood development services are provided to children.

Eligible Applicants

Applications may be submitted by public and private nonprofit organizations and governments and their agencies. Thus, universities, colleges, research institutions, hospitals, other public and private organizations, including State and local governments or their bona fide agents, federally recognized Indian tribal governments, Indian tribes or Indian tribal organizations.

Only one application will be accepted from any single applicant, organization, government, or agency in each focus area.

Availability of Funds

Approximately $500,000 is available in FY 1999 to fund two to three awards, ranging from $160,000 to $250,000. It is expected the awards will begin on or about February 1, 1999, and will be made for a 12-month budget period within a project period of up to three years. (The funding amounts listed above are for the first 12-month budget period and include both direct and indirect costs.) The funding estimate is subject to change.

Continuation awards within an approved project period will be made on the basis of satisfactory progress and availability of funds.

Specifically, applications are solicited for projects addressing any of the following three areas:

1. Diagnostic Tests of High Sensitivity and Specificity for Use in Clinical Settings

The objective is to encourage the development of highly sensitive and specific diagnostic tests for infectious disease agents of high public health significance for which such tests are not currently available.

2. Development and Evaluation of Improved Tests for Malaria Diagnosis in the U.S.

The objective is to develop and evaluate a malaria diagnostic test that does not require microscopic examination of blood smears and: (a) is at least as sensitive as microscopy (4 parasites per ul. of blood); (b) can detect all 4 known species of human malaria parasites; (c) has a specificity of at least 95 percent; (d) is simple to perform; and (e) can provide results in less than 1 hour.

3. Diagnostic Tests for Field Use

The objective is to encourage the development of field tests for infectious disease agents of high public health significance. Attributes sought in these field tests are: low cost; use with noninvasive or easy to collect specimens; short time-to-result; stable reagents; minimum risks to technicians; sensitivity and specificity appropriate for setting.

Applicants may submit separate applications for projects in one or more of the three focus areas. (See Application Process Section, Application Content area, for detailed instructions.)

Determination of Which Instrument to Use

Applicants must specify the type of award for which they are applying, either grant or cooperative agreement. CDC will review the applications in accordance with the evaluation criteria. Before issuing awards, CDC will determine whether a grant or cooperative agreement is the appropriate instrument based upon the need for substantial CDC involvement in the project. To assist applicants in making a determination as to which type of award to apply for, the following information is provided:

1. Research Project Grants

A research project grant is one in which substantial programmatic involvement by CDC is not anticipated by the recipient during the project period. Applicants for grants must demonstrate an ability to conduct the proposed research with minimal assistance, other than financial support,

from CDC. This would include possessing sufficient resources for clinical, laboratory, and data management services and a level of scientific expertise to achieve the objectives described in their research proposal without substantial technical assistance from CDC.

2. Cooperative Agreements

A cooperative agreement implies that CDC will assist recipients in conducting the proposed research. The application should be presented in a manner that demonstrates the applicant's ability to address the research problem in a collaborative manner with CDC.

Use of Funds

Restrictions on Lobbying

Applicants should be aware of restrictions on the use of the Department of Health and Human Services (HHS) funds for lobbying of Federal or State legislative bodies. Under the provisions of 31 U.S.C. Section 1352 (which has been in effect since December 23, 1989), recipients (and their subtier contractors) are prohibited from using appropriated Federal funds (other than profits from a Federal contract) for lobbying congress or any Federal agency in connection with the award of a particular contract, grant, cooperative agreement, or loan. This includes grants/cooperative agreements that, in whole or in part, involve conferences for which Federal funds cannot be used directly or indirectly to encourage participants to lobby or to instruct participants on how to lobby.

In addition, the FY 1998 ''Department of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act'' (Public Law 105–78) states in Section 503 (a) and (b) that no part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relations, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support or defeat legislation pending before the Congress or any State legislature, except in presentation to the Congress or any State legislature itself. No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any State legislature.

Background

Once expected to be eliminated as a public health problem, infectious diseases remain the leading cause of death worldwide. In the United States (U.S.) and elsewhere, infectious diseases increasingly threaten public health and contribute significantly to the escalating costs of health care.

In 1992, the Institute of Medicine of the National Academy of Sciences published a report entitled Emerging Infections, Microbial Threats to Health in the United States highlighting the threat of emerging infections and making specific recommendations to address the threat. This report emphasized a critical leadership role for CDC in a national effort to detect and control infectious disease threats.

In partnership with other Federal agencies, State and local health departments, academic institutions, and others, CDC has developed a plan for revitalizing the nation's ability to identify, contain, and prevent illness from emerging infectious diseases. The plan, ''Addressing Emerging Infectious Disease Threats; A Prevention Strategy for the United States,'' includes applied research as a major objective, stressing the importance of integrating laboratory science and epidemiology to optimize public health practice in the United States (U.S.). CDC has developed an Extramural Applied Research Program in Emerging Infections (EARP) designed to fill gaps in existing support for research in emerging infectious disease surveillance, epidemiology, and prevention. This announcement specifically addresses novel diagnostic methods for infections of public health significance.

Proposals sought under this announcement may span the range from highly sophisticated, sensitive and specific tests that require a well-equipped laboratory and highly trained personnel to robust field tests that are simple, rapid, and can be performed without equipment by minimally trained persons yet provide reliable results. Examples of infections and issues of public health significance to be addressed include, but are not limited to, tuberculosis, malaria, dengue, enterohemorrhagic Escherichia coli other than E. coli O157:H7, antimicrobial resistance (e.g., detecting vancomycin resistance genes in enterococci), and prion disease (e.g., Bovine Spongiform Encephalitis). This announcement focuses on three specific areas:

1. Diagnostic Tests of High Sensitivity and Specificity for Use in Clinical Settings

Despite the recent advances in molecular biology and its applications to diagnostics, significant gaps still remain in infectious disease diagnostics. Commercial companies tend to focus in areas of diagnostics that have a potential for high-volume sales of diagnostic kits. Many published methods have not been adequately validated. Sample preparation procedures tend to be complex and time-consuming; many of the proposed simple sample preparation methods do not yield consistent results. Applications are encouraged that address these and similar issues and target those infectious agents for which there is clear need for better and more rapid diagnostic methods.

Polymerase Chain Reaction (PCR) amplification is being used to detect and identify unculturable organisms directly in human clinical specimens, such as blood, urine, cerebrospinal fluid, and tissues obtained by biopsy or at autopsy. Unfortunately, the success rate of this method is quite low when identification is attempted directly from clinical samples. This is due to the presence of PCR inhibitors in blood and other clinical samples and also, in part, to the often low number of organisms in the samples. For PCR amplification tests to become a valuable rapid identification method for uncultured bacteria, the inhibitors must be identified and removed or overcome, and the sensitivity of the method for a wide variety of human pathogenic bacteria in various clinical samples must be determined.

For many infectious agents, new non-culture methods have been developed that facilitate rapid detection of the pathogen in clinical specimens without its isolation. Because many local, State and Federal surveillance programs depend on the continued availability of pathogenic microorganisms isolated by culture, the Council of State and Territorial Epidemiologists (CSTE) has recently developed a new position statement on this topic. In its position statement, CSTE recommends the Food and Drug Administration require each manufacturer of non-culture tests for infectious agents of public health importance and for which routine characterization (speciation, subtyping or antimicrobial susceptibility testing) provides essential information for public health surveillance or investigation, include in their product insert a statement that positive results must be confirmed by culture. Almost all currently available non-culture

diagnostic tests require the laboratorian to go back to the original specimen or an enrichment culture to attempt to isolate the pathogen. Public health programs will greatly benefit from rapid non-culture diagnostic methods that have built-in algorithms that facilitate the isolation of the pathogen without having to go back to the specimen or an enrichment broth. Such approaches are feasible in techniques that involve selective removal or immobilization of the target pathogen from the specimen without causing its inactivation.

2. Improved Tests for Malaria Diagnosis in the U.S.

Every year, approximately 1,000 cases of malaria are reported in the U.S. Nineteen deaths due to malaria were recorded in the U.S. during the period 1992–1994. Of particular concern, cases of locally-transmitted malaria have been reported on practically an annual basis in densely populated areas (New York City, Houston, and Palm Beach County, Florida). The substantial U.S. public health impact of malaria is very likely to increase in the future due to increased international travel combined with a worldwide resurgence of malaria. Available information indicates that malaria diagnosis is not optimally performed in the U.S. In a recent survey of samples sent to CDC's National Malaria Reference Laboratory (NMRL) by various health institutions (including State health departments, hospitals, and commercial laboratories), the diagnosis made by the NMRL differed from that made at the health institution in 21 percent of the samples. This is due mainly to the fact that the internationally accepted method for diagnosing malaria (the microscopic examination of a Giemsa-stained blood smear) requires a degree of microscopy experience that most clinical laboratorians in the U.S. lack due to their infrequent contact with malaria samples.

One solution to this problem would be a diagnostic test that depends, not on the experience and skills of a microscopist, but on more objective, quantifiable criteria. Several malaria diagnostic tests that follow this approach are currently on the market or in various development phases. Such tests identify malaria parasites by nucleic acid fluorescence or by detecting parasite-specific antigens or enzymes. However, none of these tests satisfy all desirable criteria for a malaria diagnostic tool applicable to clinical laboratory practice in the U.S. Such criteria include: (a) sensitivity at least equal to that of microscopy (4) parasites per ul. of blood); (b) detection of all 4 known species of human malaria parasites; (c) specificity above 95 percent; (d) simplicity of performance; and (e) rapidity of execution (results available in less than 1 hour). In addition, none of these tests have been adequately evaluated under strictly controlled conditions in U.S. health facilities.

3. Diagnostic Tests for Field Use

For many infectious agents, there is a critical need for rapid, simple tests that can be performed in the field without access to a sophisticated laboratory and for which minimal sample preparation is required. In the past, many of these tests have been configured on the basis of specific antigen-antibody interactions (e.g., latex agglutination tests, dipstick immunoassays, immunoprecipitation tests) using polyclonal or monoclonal antibodies. However, for the purpose of this announcement, any tests that meet the following criteria will be considered: low cost; use with noninvasive or easy to collect specimens; short time-to-result; stable reagents; minimum risks to technicians; sensitivity and specificity appropriate for setting, and demonstrated need for such tests for the proposed target pathogen.

Purpose

The purpose of the EARP is to provide financial and technical assistance for applied research projects on emerging infections in the U.S. As a component of EARP, the purpose of this grant/cooperative agreement announcement is to provide assistance for projects addressing novel methods for identification of emerging infections.

Program Requirements

In conducting activities to achieve the purpose of this program, the recipient will be responsible for the activities under A. (Recipient Activities) and CDC will be responsible for conducting activities under B. (CDC Activities) for cooperative agreements only:

A. Recipient Activities

1. Diagnostic Tests of High Sensitivity and Specificity for use in Clinical Settings

a. Develop diagnostic tests for use in clinical settings for one or more infectious diseases of high public health significance for which such tests do not currently exist or significantly improve an existing test; OR

b. Develop rapid diagnostic tests for use in clinical settings for one or more infectious diseases of high public health significance. Design the test in such a manner that the etiologic agent may be directly isolated from the matrix that is used for rapid detection of the etiologic agent; OR

c. Systematically develop optimal conditions for the detection of uncultured bacteria from blood, serum, and other clinical specimens, specifically addressing the problem of inhibition of the polymerase chain reaction by sample components. Complete Phase I evaluation of the diagnostic test in a clinical setting and compare against a method which has been previously validated. Demonstrate that the sensitivity and specificity of the test are significantly better than the current benchmark tests. For a.2. and a.3., demonstrate that the target pathogen can be consistently isolated from clinical specimens.

d. Organize independently or collaborate with CDC (for cooperative agreements) to organize more extensive Phase II evaluation of the test in multiple laboratories.

e. Publish and/or otherwise disseminate findings.

2. Development and Evaluation of Improved Tests for Malaria Diagnosis in the U.S.

a. Develop a new diagnostic test or improve currently available test(s) that does not require microscopic examination of blood smears and is:

(1) At least as sensitive as microscopy (4) parasites per ul. of blood).

(2) Can detect all 4 known species of human malaria parasites.

(3) Has a specificity of at least 95 percent.

(4) Is simple to perform.

(5) Can provide results in less than 1 hour.

b. Conduct a first phase of evaluation of the new or improved test(s). This should involve testing clinical samples for malaria under blinded conditions and should use mainly samples collected from non-human primates experimentally infected with human malaria parasites and malaria-infected human blood samples, both of which can be made available by CDC.

c. Collaborate with CDC (for cooperative agreements) to conduct field evaluations of the test(s) in endemic countries (e.g. a large-scale assessment in a short time period where n > = 500) and in U.S. facilities. (The actual U.S. field testing will likely require a longer time period due to low frequency of malaria and should involve collaboration with State health departments, hospitals, and commercial laboratories.)

d. Publish and/or otherwise disseminate results.

3. Diagnostic Tests for Field Use

a. Develop diagnostic tests for use under field conditions for one or more infectious diseases of high public health significance for which such tests are needed but do not currently exist or significantly improve an existing test.

b. Complete limited evaluation of the diagnostic test under field conditions and compare against a method which has been previously validated. Demonstrate that the sensitivity and specificity of the test are acceptable and appropriate for use in field settings.

c. Organize independently or collaborate with CDC (cooperative agreements) to organize more extensive Phase II evaluation of the test.

d. Publish and/or otherwise disseminate findings.

B. CDC Activities (for Cooperative Agreements)

1. Provide technical assistance in the design and conduct of the research.

2. Perform selected laboratory tests, as appropriate and necessary.

3. Participate in data management, the analysis of research data, and the interpretation and presentation of research findings.

4. Provide biological materials (e.g., strains, reagents, etc.) as necessary for studies.

Technical Reporting Requirements

Narrative progress reports are required semiannually. The first semiannual report is required with each year's noncompeting continuation application and should cover program activities from date of the previous report (or date of award for reporting in the first year of the project). The second semiannual report is due along with the Financial Status Report (FSR) (see next paragraph) 90 days after the end of each budget period and should cover activities from the date of previous report. Progress reports should address the status of progress toward specific project objectives and should include copies of any publications resulting from the project.

An original and two copies of the FSR are required no later than 90 days after the end of each budget period. A final performance report and FSR are due no later than 90 days after the end of the project period.

Application Process

1. Pre-Application Letter of Intent

In order to assist CDC in planning and executing the evaluation of applications submitted under this Program Announcement, all parties intending to submit application(s) are encouraged to inform CDC of their intention to do so as soon as possible but not later than 10 business days prior to the application due date. Notification should include: (1) name and address of institution; (2) name, address, and phone number of contact person; and (3) which focus area(s) application(s) will be submitted under. Notification can be provided by facsimile, postal mail, or electronic mail (E-mail) to Bala Swaminathan, Ph.D., National Center for Infectious Diseases, Centers for Disease Control and Prevention (CDC), 1600 Clifton Road, N.E., Mailstop C–7, Atlanta, GA 30333, Facsimile (404) 639–3333, Internet bas5@cdc.gov.

2. Application Content

Applicants may apply for assistance for projects in one or more of the three separate focus areas identified under PURPOSE and PROGRAM REQUIREMENTS sections. IF APPLICANT IS APPLYING FOR ASSISTANCE FOR MORE THAN ONE FOCUS AREA, A SEPARATE AND COMPLETE APPLICATION MUST BE SUBMITTED FOR EACH FOCUS AREA AND INDICATE WHETHER APPLYING FOR A GRANT OR COOPERATIVE AGREEMENT.

All applicants must develop their application(s) in accordance with PHS Form 398, information contained in this grant/cooperative agreement announcement, AND the attached errata sheet instructions. In order to ensure an objective, impartial, and prompt review, applications must conform to these instructions:

a. General Instructions

1. The original and five (5) complete copies of the application must be UNSTAPLED and UNBOUND.

2. ALL pages must be clearly numbered, and a complete index to the application and its appendices must be included.

3. All typewritten materials must be single-spaced, using a font no smaller than size 12. All supplemental pages of the application (i.e., in addition to the PHS 398 form) must be on the 8 ½″ by 11″ white paper.

4. All pages must be printed on ONE side only, with at least 1″ margins, headers, and footers.

b. Special Instructions

The application narrative must not exceed 10 pages (excluding budget and appendices). Unless indicated otherwise, all information requested below must appear in the narrative. Materials or information that should be part of the narrative will not be accepted if placed in the appendices. The application narrative must contain the following sections in the order presented below. (REMINDER: IF PROPOSING PROJECTS UNDER MULTIPLE FOCUS AREAS, SUBMIT A SEPARATE AND COMPLETE APPLICATION FOR EACH PROJECT AND INDICATE WHETHER APPLYING FOR GRANT OR COOPERATIVE AGREEMENT):

3. Abstract

a. Provide a brief (two pages maximum) abstract of the project. Clearly identify:

1. The specific focus area being addressed;

2. The project period proposed (not to exceed three years as indicated in AVAILABILITY OF FUNDS section); and

3. The type of award that is being applied for, grant or cooperative agreement.

4. Background and Need

Discuss the background and need for the proposed project. Demonstrate a clear understanding of the background, purpose, and objectives of the focus area.

5. Capacity and Personnel

Describe applicant's past experience in conducting activities similar to that being proposed. Describe applicant's resources, facilities, and professional personnel that will be involved in conducting the project. Include *in an appendix* curriculum vitae for all professional personnel involved with the project. Describe plans for administration of the project and identify administrative resources/personnel that will be assigned to the project. Provide *in an appendix*, letters of support from all key participating non-applicant organizations, individuals, etc. (if any), which clearly indicate their commitment to participate as described in the operational plan. Do not include letters of support from CDC personnel. Letters of support from CDC will not be accepted. Award of a cooperative agreement implies CDC participation as outlined in the PROGRAM REQUIREMENTS section of this announcement.

6. Objectives and Technical Approach

Present specific objectives for the proposed project which are measurable and time-phased and are consistent with the Background, Purpose, and Recipient Activities for the specific focus area. Present a detailed operational plan for initiating and conducting the project which clearly and appropriately addresses these objectives (if proposing

a multi-year project, provide a detailed description of first-year activities and a brief overview of subsequent-year activities). Clearly identify specific assigned responsibilities for all key professional personnel. Include a clear description of applicant's technical approach/methods which are directly relevant to the above objectives. Describe specific study protocols or plans for the development of study protocols. Describe the nature and extent of collaboration with CDC (if proposing a cooperative agreement) and/or others during various phases of the project. Describe in detail a plan for evaluating progress toward achieving process and outcome project objectives.

7. Budget

Provide a line-item budget and accompanying detailed, line-by-line justification for the first year of the project that demonstrates the request is consistent with the purpose and objectives of this program. If requesting a multi-year project, provide estimated total budget (direct plus indirect) for subsequent years. If requesting funds for any contracts, provide the following information for each proposed contract: (1) Name of proposed contractor; (2) breakdown and justification for estimated costs; (3) description and scope of activities to be performed by contractor; (4) period of performance; and (5) method of contractor selection (e.g., sole-source or competitive solicitation).

8. Human Subjects

Whether or not exempt from DHHS regulations, if the proposed project involves human subjects, describe adequate procedures for the protection of human subjects. Also, ensure that women, racial and ethnic minority populations are appropriately represented in applications for research involving human subjects.

Evaluation Criteria

The applications will be reviewed and evaluated according to the following criteria:

1. Background and Need (10 Points)

Extent to which applicant demonstrates a clear understanding of the background, purpose, and objectives of the focus area being addressed. Extent to which applicant demonstrates that the proposed project addresses an emerging infectious disease issue of public health importance.

2. Capacity (45 Points)

Extent to which applicant describes adequate resources and facilities (both technical and administrative) for conducting the project. Extent to which applicant documents that professional personnel involved in the project are qualified and have past experience and achievements in research related to that proposed as evidenced by curriculum vitae, publications, etc. If applicable, extent to which applicant includes letters of support from participating non-applicant organizations, individuals, etc., and the extent to which such letters clearly indicate the author's commitment to participate as described in the operational plan. If requesting a grant (versus a cooperative agreement), the extent to which applicant demonstrates that they can accomplish the project without substantial technical assistance from CDC.

3. Objectives and Technical Approach (45 Points Total)

a. Extent to which applicant describes measurable and time-phased objectives of the proposed project which are consistent with the purpose of the focus area being addressed. (10 points)

b. Extent to which applicant presents a detailed operational plan for initiating and conducting the project which clearly and appropriately addresses all recipient activities for the specific programmatic focus area being addressed. Extent to which applicant clearly identifies specific assigned responsibilities of all key professional personnel. Extent to which the plan clearly describes applicant's technical approach/ methods for conducting the proposed studies and extent to which the approach/methods are feasible, appropriate, and adequate to accomplish the objectives. Extent to which applicant describes specific study protocols or plans for the development of study protocols that are appropriate for achieving project objectives. Extent to which applicant clearly describes collaboration with CDC (if proposing a cooperative agreement) and/or others during various phases of the project. If the proposed project involves human subjects, whether or not exempt from the Department of Health and Human Services (DHHS) regulations, the extent to which adequate procedures are described for the protection of human subjects. Note: Objective Review Group (ORG) recommendations on the adequacy of protections include: (1) protections appear adequate and there are no comments to make or concerns to raise, or (2) protections appear adequate, but there are comments regarding the protocol, or (3) protections appear inadequate and the ORG has concerns related to human subjects, or (4) disapproval of the application is recommended because the research risks are sufficiently serious and protection against the risks are inadequate as to make the entire application unacceptable, and (5) protections appear adequate that women, racial and ethnic minority populations are appropriately represented in applications involving human research. (30 points)

c. Extent to which applicant provides a detailed and adequate plan for evaluating progress toward achieving project process and outcome objectives. (5 points)

4. Budget (not Scored)

Extent to which the proposed budget is reasonable, clearly justifiable, and consistent with the intended use of grant/cooperative agreement funds.

Executive Order 12372 Review

This program is not subject to Executive Order 12372 Review.

Public Health System Reporting Requirements

This program is not subject to the Public Health System Reporting Requirements.

Catalog of Federal Domestic Assistance Number

The Catalog of Federal Domestic Assistance Number is 93.283.

Other Requirements

Paperwork Reduction Act

Projects that involve the collection of information from ten or more individuals and funded by the grant/ cooperative agreement will be subject to review and approval by the Office of Management and Budget (OMB) under the Paperwork Reduction Act.

Human Subjects

If the proposed project involves research on human subjects, the applicant must comply with the Department of Health and Human Services Regulations (45 CFR Part 46) regarding the protection of human subjects. Assurance must be provided to demonstrate that the project will be subject to initial and continuing review by an appropriate institutional review committee. The applicant will be responsible for providing evidence of this assurance in accordance with the appropriate guidelines and form provided in the application kit.

In addition to other applicable committees, Indian Health Service (IHS) institutional review committees also must review the project if any

component of IHS will be involved or will support the research. If the Native American community is involved, its tribal government must also approve that portion of the project applicable to it.

Women, Racial and Ethnic Minorities

It is the policy of the Centers for Disease Control and Prevention (CDC)and the Agency for Toxic Substances and Disease Registry (ATSDR) to ensure that individuals of both sexes and the various racial and ethnic groups will be included in CDC/ATSDR-supported research projects involving human subjects, whenever feasible and appropriate. Racial and ethnic groups are those defined in OMB Directive No. 15 and include American Indian or Alaska Native, Asian, Black or African American, Hispanic or Latino, Native Hawaiian or Other Pacific Islander. Applicants shall ensure that women, racial and ethnic minority populations are appropriately represented in applications for research involving human subjects. Where clear and compelling rationale exist that inclusion is inappropriate or not feasible, this situation must be explained as part of the application. This policy does not apply to research studies when the investigator cannot control the race, ethnicity, and/or sex of subjects. Further guidance to this policy is contained in the **Federal Register**, Vol. 60, No. 179, pages 47947–47951, and dated Friday, September 15, 1995.

Animal Subjects

If the proposed project involves research on animal subjects, the applicant must comply with the ''PHS Policy on Humane Care and Use of Laboratory Animals by Awardee Institutions.'' An applicant organization proposing to use vertebrate animals in PHS-supported activities must file an Animal Welfare Assurance with the Office for Protection from Research Risks at the National Institutes of Health.

Application Submission and Deadline

The original and five copies of each application PHS Form 398 must be submitted to Sharron Orum, Grants Management Officer, Grants Management Branch, Procurement and Grants Office, Centers for Disease Control and Prevention (CDC), 255 East Paces Ferry Road, N.E., Room 300, Mailstop E–18, Atlanta, GA 30305, on or before October 1, 1998.

1. Deadline: Applications shall be considered as meeting the deadline if they are either:

a. Received on or before the deadline date; or

b. Sent on or before the deadline date and received in time for submission to the objective review group. (Applicants must request a legibly dated U.S. Postal Service postmark or obtain a legibly dated receipt from a commercial carrier or U.S. Postal Service. Private metered postmarks shall not be acceptable as proof of timely mailing.)

2. Late Applications: Applications which do not meet the criteria in 1. a. or 1. b. above are considered late applications. Late applications will not be considered and will be returned to the applicant.

Where to Obtain Additional Information

To receive additional written information and to request an application kit, call 1–888-GRANTS (1–888 472–6874). You will be asked to leave your name and address and will be instructed to identify the Announcement number of interest. (Please refer to Announcement Number 99012.) You will receive a complete program description, information on application procedures and application forms. If you have questions after reviewing the contents of all the documents, business management technical assistance may be obtained from Oppie M. Byrd, Grants Management Specialist, Grants Management Branch, Procurement and Grants Office, Centers for Disease Control and Prevention (CDC), 255 East Paces Ferry Road, N.E., Room 314, Mailstop E–18, Atlanta, GA 30305, telephone (404) 842–6546, Facsimile (404) 842–6513, Internet oxb3@cdc.gov.

Programmatic technical assistance may be obtained from Bala Swaminathan, Ph.D., National Center for Infectious Diseases, Division of Bacterial and Mycotic Diseases, Centers for Disease Control and Prevention (CDC), 1600 Clifton Road, N.E., Mailstop C–07, Atlanta, GA 30333, Telephone (404) 639–3669, Facsimile (404) 639–3333, Internet bas5@cdc.gov.

Please refer to Announcement Number 99012 when requesting information regarding this program.

You may obtain this announcement from one of two Internet sites on the actual publication date: CDC's homepage at http://www.cdc.gov or at the Government Printing Office homepage (including free on-line access to the **Federal Register** at http://www.access.gpo.gov).

Potential applicants may obtain a copy of Healthy People 2000 (Full Report, Stock No. 017–001–00474–0) or Healthy People 2000 (Summary Report, Stock No. 017–001–00473–1) referenced in the **INTRODUCTION** through the Superintendent of Documents, Government Printing Office, Washington, DC 20402–9325, telephone: (202) 512–1800.

Dated: July 8, 1998.

John L. Williams,

Director, Procurement and Grants Office, Centers for Disease Control and Prevention (CDC).

[FR Doc. 98–18667 Filed 7–13–98; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

Proposed Information Collection Activity; Comment Request

Proposed Projects

Title: Annual Statistical Report on Children in Foster Homes and Children in Families Receiving Payments in Excess of the Poverty Income Level from a State Program Funded under Part A of Title IV of the Social Security Act.

OMB No.: 0970–0040.

Description: This information is collected to meet the statutory requirements of section 1124 of Title I of the Elementary and Secondary Education Act (as amended by PL 103–382). It is collected by DHHS from State public welfare agencies and turned over to the Department of Education which uses it to arrive at the formula for allocating Title I grant funds to State and Local elementary and secondary schools for the purpose of providing educational assistance to disadvantaged children.

Respondents: State, Local or Tribal Govt.

ANNUAL BURDEN ESTIMATES

Instrument	Number of respondents	Number of responses per respondent	Average burden hours per response	Total burden hours
ACF–4125	52	1	264	13,746

ANNUAL BURDEN ESTIMATES—Continued

Instrument	Number of respondents	Number of responses per respondent	Average burden hours per response	Total burden hours
Estimated Total Annual Burden Hours: 13,746				

In compliance with the requirements of Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the Administration for Children and Families is soliciting public comment on the specific aspects of the information collection described above. Copies of the proposed collection of information can be obtained and comments may be forwarded by writing to the Administration for Children and Families, Office of Information Services, Division of Information Resource Management Services, 370 L'Enfant Promenade, S.W., Washington, D.C. 20447, Attn: ACF Reports Clearance Officer. All requests should be identified by the title of the information collection.

The Department specifically requests comments on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) the quality, utility, and clarify of the information to be collected; and (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. Consideration will be given to comments and suggestions submitted within 60 days of this publication.

Dated: July 8, 1998.

Bob Sargis,

Acting Reports Clearance Officer.

[FR Doc. 98–18658 Filed 7–13–98; 8:45 am]

BILLING CODE 4184–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

Relocation of the Dockets Management Branch; Correction

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice; correction.

SUMMARY: The Food and Drug Administration (FDA) is correcting a notice that appeared in the **Federal Register** of June 16, 1998 (63 FR 32888). The document announced the relocation and partial closing of the Dockets Management Branch (DMB). The document published with an incorrect zip code. This document corrects that error.

FOR FURTHER INFORMATION CONTACT: Jennie C. Butler, Dockets Management Branch (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rockville, MD 20852, 301–827–6860.

In FR Doc. 98–15878, appearing on page 32888, in the **Federal Register** of Tuesday, June 16, 1998, the following corrections are made:

1. On page 32888, in the second column, under ''**SUPPLEMENTARY INFORMATION**,'' in line six, the zip code is corrected to read ''20852,'' and in the second paragraph, in line eleven, the zip code is corrected to read ''20852.''

Dated: July 7, 1998.

William K. Hubbard,

Associate Commissioner for Policy Coordination.

[FR Doc. 98–18691 Filed 7–13–98; 8:45 am]

BILLING CODE 4160–01–F

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. 98D–0481]

Guidance for Industry on 180–Day Generic Drug Exclusivity Under the Hatch-Waxman Amendments to the Federal Food, Drug, and Cosmetic Act; Availability

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing the availability of a guidance for industry entitled ''180–Day Generic Drug Exclusivity Under the Hatch-Waxman Amendments to the Federal Food, Drug, and Cosmetic Act.'' The purpose of the guidance is to inform the public of FDA's application of the 180-day generic drug exclusivity provisions of the Federal Food, Drug, and Cosmetic Act (the act) in light of recent court decisions on the issue.

DATES: Written comments may be submitted on the guidance document by October 13, 1998. General comments on the agency guidances are welcome at any time.

ADDRESSES: Copies of the guidance are available on the Internet at ''http://www.fda.gov/cder/guidance/index.htm.'' Submit written requests for single copies to the Drug Information Branch (HFD–210), Center for Drug Evaluation and Research, Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857. Send one self-addressed adhesive label to assist that office in processing your request. Submit written comments on the guidance to the Dockets Management Branch, (HFD–305), Food and Drug Administration, 5630 Fishers Lane, rm. 1061, Rockville, MD 20852.

FOR FURTHER INFORMATION CONTACT: Jerry Phillips, Center for Drug Evaluation and Research (HFD–610), 7500 Standish Pl., Rockville, MD 20855, 301–827–5846.

SUPPLEMENTARY INFORMATION: A requirement of FDA's regulations implementing the 180-day generic drug exclusivity provisions of the act has recently been successfully challenged in court. Section 314.107(c)(1) (21 CFR 314.107(c)(1)) applies and interprets section 505(j)(5)(B)(iv) of the act (21 U.S.C. 355(j)(5)(B)(iv)). Section 314.107(c)(1) contains the ''successful defense'' provision, which requires an abbreviated new drug application (ANDA) applicant to be sued for patent infringement and to prevail in the litigation in order to receive the 180-day period of marketing exclusivity. Two recent circuit court decisions, *Mova Pharmaceutical Corp.* v. *Shalala*, No. 97–5082, 1998 U.S. App. Lexis 7391 (D.C. Cir. Apr. 14, 1998) and *Granutec, Inc.* v. *Shalala*, No. 97–1873 and No. 97–1874, 1998 U.S. App. LEXIS 6685, (4th Cir. Apr. 3, 1998), held that the ''successful defense'' requirement was not supported by the act. The effect of these decisions, together with a June 1, 1998, order of the district court in *Mova*, is that FDA will not enforce the ''successful defense'' provisions of § 314.107(c)(1).

FDA intends to formally remove the ''successful defense'' provisions from § 314.107(c)(1), but that process is not complete. Following withdrawal of the regulatory provision, FDA expects to begin a rulemaking to issue new

regulations under section 505(j)(5)(B)(iv) of the act. In the meantime, the agency must make exclusivity decisions for ANDA's that are nearing approval. Until such time as the rulemaking process is complete, FDA will regulate directly from the statute and will make decisions on 180-day generic drug exclusivity on a case-by-case basis.

The guidance is intended to provide industry with information on how FDA is applying section 505(j)(5)(B)(iv) of the act in light of the decisions in *Mova* and *Granutec*. The agency will revise this guidance as additional interpretations are made.

The guidance is being implemented immediately without prior public comment because the guidance is needed to explain FDA's application of the statute in light of recent court decisions. However, the agency wishes to solicit comment from the public and is providing a 90-day comment period and establishing a docket for the receipt of comments.

This guidance is a level 1 guidance consistent with FDA's good guidance practices (62 FR 8961, February 27, 1997). It represents the agency's current thinking on 180-day generic drug exclusivity under the Hatch-Waxman Amendments. It does not create or confer any rights for or on any person and does not operate to bind FDA or the public. An alternative approach may be used if such approach satisfies the requirements of the act.

Interested persons may submit written comments on the guidance to the Dockets Management Branch (address above). Two copies of any comments 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. The guidance and received comments may be seen in the office above between 9 a.m. and 4 p.m., Monday through Friday.

Dated: July 7, 1998.

William B. Schultz,

Deputy Commissioner for Policy.

[FR Doc. 98–18690 Filed 7–13–98; 8:45 am]

BILLING CODE 4160–01–F

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration

Agency Information Collection Activities: Proposed Collection: Comment Request

In compliance with the requirement of section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995 for opportunity for public comment on proposed data collection projects, the Health Resources and Services Administration (HRSA) will publish periodic summaries of proposed projects being developed for submission to OMB under the Paperwork Reduction Act of 1995. To request more information on the proposed project or to obtain a copy of the data collection plans, call the HRSA Reports Clearance Officer on (301) 443–1129.

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Proposed Project

Grantee Reporting Requirements for the Rural Health Network Development Grant Program (OMB NO. 0915–0218)—Extension.

This is a request for extension of the reporting requirements for the Rural Network Development Grant Program authorized by section 330A of the Public Health Service Act as amended by the Health Centers Consolidation Act of 1996 (Public Law 104–229). The purpose of the program is to assist in the development of vertically integrated networks of health care providers in rural communities. Grantees will be working to change the delivery system in their service areas and will be using the Federal funds to develop network capabilities.

Grantees submit semiannual reports which provide information on progress towards goals and objectives of the network, progress toward developing the governance and organizational arrangements for the network, specific network activities, certain financial data related to the grant budget, and health care services provided by the network.

The information is used to evaluate progress on the grants, to understand barriers to network development in rural areas, to identify grantees in need of technical assistance, and to identify best practices in the development of provider networks in rural communities.

The information is also used to begin to evaluate the impact of networks on access to care.

To minimize the burden on grantees, the reports will are submitted electronically. The estimated burden is as follows:

Type of respondent	Number of respondents	Responses per respondent	Hours per response	Total burden hours
Grantees	40	2	20	1,600

Send comments to: HRSA Reports Clearance Officer, Room 14–36, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857. Written comments should be received within 60 days of this notice.

Dated: July 7, 1998.

Jane Harrison,

Director, Division of Policy Review and Coordination.

[FR Doc. 98–18692 Filed 7–13–98; 8:45 am]

BILLING CODE 4160–15–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of Inspector General

Program Exclusions: June 1998

AGENCY: Office of Inspector General, HHS.

ACTION: Notice of program exclusions.

During the month of June 1998, the HHS Office of Inspector General imposed exclusions in the cases set forth below. When an exclusion is imposed, no program payment is made to anyone for any items or services (other than an emergency item or service not provided in a hospital emergency room) furnished, ordered or prescribed by an excluded party under the Medicare, Medicaid, and all Federal Health Care programs. In addition, no program payment is made to any business or facility, e.g., a hospital, that submits bills for payment for items or services provided by an excluded party.

Program beneficiaries remain free to decide for themselves whether they will continue to use the services of an excluded party even though no program payments will be made for items and services provided by that excluded party. The exclusions have national effect and also apply to all Executive Branch procurement and non-procurement programs and activities.

Subject, city, state	Effective date
PROGRAM-RELATED CONVICTIONS	
ALEXANDER, ALVIN LANTANA, FL	07/20/1998
ARDEN, JEFFREY S LOS ANGELES, CA	07/20/1998
ARMAND, ACHILLE EGLIN AFB, FL	07/30/1998
ARTEAGA, RAQUEL HIALEAH, FL	07/20/1998
BLUE FRONT TRANSPORTATION CO W PALM BEACH, FL	07/20/1998
BOONE, WILLIE W PALM BEACH, FL	07/20/1998
BRITTON, MAXCINE Y MADISON, MS	07/20/1998
BRITTON, ALBERT B, JR MADISON, MS	07/20/1998
BROOKS, WILBUR ROY PHOENIX, AZ	07/20/1998
BURNS, FAYE I MIAMI, FL	07/20/1998
CARITHERS, KEVIN LAQUINN CONYERS, GA	07/20/1998
CLEVELAND, NATHANIEL W PALM BEACH, FL	07/20/1998
CORP, PATRICIA MARIE FAYETTEVILLE, AR	07/20/1998
DAMM, AUSTEN P GREEN VALLEY, AZ	07/20/1998
DE LA CERDA, NELSON MIAMI, FL	07/20/1998
DEHAMER, GILBERT CLEARWATER, FL	07/20/1998
ERNEST, ERNIE LAKE WORTH, FL	07/20/1998
FALANA, ROGER EGLIN AFB, FL	07/20/1998
FALANA, CHARLES JESUP, GA	07/20/1998
FANTONY, RAFAEL MIAMI, FL	07/20/1998
FIRESTONE, GERALD CANTON, OH	07/20/1998
GIEGER, JEFFERY W MONTGOMERY, AL	07/20/1998
GRADY, WILLIE COLEMAN, FL	07/20/1998
GRAHAM-MELVIN ASSOCIATES, INC COLUMBIA, MD	07/20/1998
HERNANDEZ, MIGDALIA ENID MIAMI, FL	07/20/1998
HINKSON, SHARON LINCOLNTON, GA	07/20/1998
HUBBELL, PEGGY LAKELAND, FL	07/20/1998
L K RATHI MD, INC SPRINGFIELD, MA	07/20/1998
LAWRENCE, MICHAEL W PALM BEACH, FL	07/20/1998
LENHART, RICHARD ANTHONY CAMBRIDGE, OH	07/20/1998
LENNON, JEFFREY J FLORENCE, CO	07/20/1998
MASSILON, PIERRE W PALM BEACH, FL	07/20/1998
MCGARRY, RYAN WARWICK, RI	07/20/1998
MCGILL, JOANNE OVETT, MS	07/20/1998
MILLER, INEZ C PORTLAND, OR	07/20/1998
MIMLESS, LORIN H BOSTON, MA	07/20/1998
MITCHELL, DANI ARLENE PHOENIX, AZ	07/20/1998
ONG, FEE LAS VEGAS, NV	07/20/1998
ORRA, MAHMOUD MOHAMMED WESTLAKE, OH	07/20/1998
PANTLEO, DARREN L PUEBLO, CO	07/20/1998
POLZIN, EDITH LYNNE BROOKFIELD, WI	07/20/1998
POSEY, CHARLES LEWIS ABBEVILLE, GA	07/20/1998
RAMIREZ, PRAXEDES MIAMI, FL	07/20/1998
RATHI, LAXMIKANT LONGMEADOW, MA	07/20/1998
RICHIE, MARY LOUISE FT MYERS, FL	07/20/1998
SANGAVE, CHHAYA A ROCHESTER, NY	07/20/1998
SHELTON, MARSHELL CANTRELL MARSHALL, NC	07/20/1998
SINGH, RAMBARAN LANTANA, FL	07/20/1998
STEGALL, ELIZABETH M STONE MOUNTAIN, GA	07/20/1998
STILWELL, JEFFREY WAYNE MABLETON, GA	07/20/1998
STILWELL, TONY AUSTELL, GA	07/20/1998
STILWELL, MARTHA LYNN MABLETON, GA	07/20/1998
THOMAS, LEO J MANCHESTER, KY	07/20/1998
VANWEY, ROBERT BRUCE TOLEDO, OH	07/20/1998
VITA LIGHTS INTERNATIONAL, LTD BROOKLYN, NY	07/20/1998
YANES, LOURDES HIALEAH, FL	07/20/1998
FELONY CONVICTION FOR HEALTH CARE FRAUD	
ANDERSON, DONNA KAY MESA, AZ	07/20/1998
FELONY CONTROL SUBSTANCES CONVICTION	
VALENTINE, ALLEN FRANK SAN ANTONIO, TX	07/20/1998
PATIENT ABUSE/NEGLECT CONVICTIONS	
AFRA, ADWOA PAWTUCKET, RI	07/20/1998
AMSPAUGH, DARREN JAY DUNCAN FALLS, OH	07/20/1998
ANDERSON, CHANNIE MARIE BASTROP, LA	07/20/1998
APODACA, JENNY A DENVER, CO	07/20/1998
BLAYLOCK, JOYCE CALEDONIA, MS	07/20/1998
BRADLEY, MARTIN K W WARWICK, RI	07/20/1998
BRADY, JEFFREY ALLEN LEXINGTON, OK	07/20/1998
BRANSON, ANGELA W LAWRENCE, KS	07/20/1998
BROWN, JUANITA M LINCOLN, DE	07/20/1998
CERVONE, JANET FLEISHAKER PITTSBURGH, PA	07/20/1998
DAVIS, GLORIA ALEXANDRIA, LA	07/20/1998
DICKSON, JOHN A SAYRE, OK	07/20/1998
EDMISTON, LATRICIA ANN ANTIOCH, TN	07/20/1998
ELWOOD, CATHY ANN MONTGOMERY CENTER, VT	07/20/1998
FLAVHAN, BERNARD M SUDBURY, MA	07/20/1998
HANI, JOSHUA EUGENE EUREKA, CA	07/20/1998
HARRISON, TROY JOSEPH STILLWATER, OK	07/20/1998
HATCHETT, JANICE JACKSON, MS	07/20/1998
JAMES, TONIA DANETTE LITTLE ROCK, AR	07/20/1998
LANG, BRENDA CHARLESTON, MS	07/20/1998
LEWIS, SHAWANDA LAUREL, MS	07/20/1998
LINDERMAN, FRANCES WAURIKA, OK	07/20/1998
MASON, FRANKLIN JACKSON, MS	07/20/1998
MONTOYA, HENRY LEE ALBUQUERQUE, NM	07/20/1998
MOORE, AMANDA KIETALIA LUFKIN, TX	07/20/1998
MOREY, SCOTT PROVIDENCE, RI	07/20/1998
MURPHY, CHERRY D NORMAN, OK	07/20/1998
OWENS, CINDY MICHELLE WILBURTON, OK	07/20/1998
PRICE, TERENA L ENID, OK	07/20/1998
ROWE, NATASHA ABERDEEN, MS	07/20/1998
SEVILLA, FERDINAND SAN DIEGO, CA	07/20/1998
THOMAS, MICHELLE LEE WARSAW, OH	07/20/1998
THOMPSON, LAURA CARLSBAD, NM	07/20/1998
WASHINGTON, LUCAROL GWENNETT ENID, OK	07/20/1998
WELSH, MICHAEL WAYNE CROOKSVILLE, OH	07/20/1998
WHITEHURST, LOUIS HENRY	07/20/1998

Subject, city, state	Effective date
GEORGETOWN, SC	
WILLIAMS, TERESA MARIE .... MOUNTAIN HOME, AR	07/20/1998
WILLIAMS, LOUCINDA ..... BOKCHITO, OK	07/20/1998
WISE, TIJANA SHALANDA ..... PAINESVILLE, OH	07/20/1998

CONVICTION FOR HEALTH CARE FRAUD

AKSOY, YASAR J ..... BECKLEY, WV	07/20/1998
BRIGGS, SHENDRAA DESHON ..... RAYVILLE, LA	07/20/1998
CLARK, MERLIN ..... LAFAYETTE, LA	07/20/1998
COOPER, LINDA FAYE ..... FORT WORTH, TX	07/20/1998
MITCHELL, GINGER ..... CLARKSDALE, MS	07/20/1998
TATE, DENITA MENYUN ..... WINNSBORO, LA	07/20/1998

LICENSE REVOCATION/SUSPENSION/ SURRENDERED

ASTON, ROBIN ..... BANGOR, ME	07/20/1998
BACHELOR, BARRY G ..... CERRITOS, CA	07/20/1998
BAILEY, LAURA FRANCIS ..... CLEVELAND, TN	07/20/1998
BANISTER, MARY DOROTHY WALNUT CREEK, CA	07/20/1998
BANKE, LAURETTE ..... NILES, MI	07/20/1998
BLOUNT GRAEBER, MELODY G ..... TALENT, OR	07/20/1998
BUNDY, SHAREEN S ..... WASHINGTON, DC	07/20/1998
BUTLER, CRAIG DAMIEN ..... ALBANY, GA	07/20/1998
BYNUM, RANDALL LEE ..... AURORA, CO	07/20/1998
CARTER, RANDALL K ..... PINEY FLATS, TN	07/20/1998
CLOUGH, SABRINA RAYE ..... DOUGLASVILLE, GA	07/20/1998
COFFINO, KAREN A ANN ..... OROVILLE, CA	07/20/1998
DABNEY, LUCILLE JENETTE STONE MOUNTAIN, GA	07/20/1998
EFIN, EMILY ..... SAN LUIS OBISPO, CA	07/20/1998
ERVIN, LAURA LARSEN ..... CHESAPEAKE, VA	07/20/1998
FARLEY, TWYLA J ..... ANTELOPE, CA	07/20/1998
FARRELL, NANCY ..... YORK, PA	07/20/1998
GALLEGOS, KARL VANCE ..... ATLANTA, GA	07/20/1998
HEALY, PAUL THOMAS ..... KEYSER, WV	07/20/1998
HENDERSON, BARRY MERLE MARIETTA, GA	07/20/1998
HILST, WILBUR DEAN ..... LIBERAL, KS	07/20/1998
HOLMES, JOHN MELBURN D ROANOKE, AL	07/20/1998
HOUSTON, JOHN SCOTT ..... MOBILE, AL	07/20/1998
HUBNER, PAMELA J ..... ONALASKA, WA	07/20/1998
HYMAN, KENNETH AARON .... WHEELING, WV	07/20/1998
IGNACIO, AZUCENA C ..... HONOLULU, HI	07/20/1998
KASTLE, MATTHEW ..... AURORA, CO	07/20/1998
KURTZ, GENE GAYLORD ..... HAVRE, MT	07/20/1998
LACHMAN, ROBERT E ..... MARSHALLTOWN, IA	07/20/1998
LEACH, RICHARD EATON ..... LAKE CHARLES, LA	07/20/1998
LEVENDUSKY, GERALD A ..... ALIQUIPPA, PA	07/20/1998
MAHAKIAN, CHARLES G ..... LAS VEGAS, NV	07/20/1998
MARTELL, ALGIS ..... RENO, NV	07/20/1998
MAYS, DAVID WILLIE III ..... MARION, OH	07/20/1998
MCCALL, CURTIS J JR ..... PANAMA CITY, FL	07/20/1998
MILLER, MELVIN JOHN ..... ATLANTA, GA	07/20/1998
NEWMAN, ROBERT C ..... REDLANDS, CA	07/20/1998
PASCHALL, CATINA M ..... CHESAPEAKE, VA	07/20/1998
PATEL, SATISH R ..... LEXINGTON, KY	07/20/1998
POWELL, JOHN GARY ..... LYNCHBURG, VA	07/20/1998
RAJAGOPAL, SUBRAMANYAM ..... LINCOLN, NE	07/20/1998
ROBERTS, DONALD LEE ..... SAN DIEGO, CA	07/20/1998
ROHLFING, WALTER ALFRED III ..... OAKLAND, CA	07/20/1998
ROWAN, ALOYSIUS IGNATIUS ..... AURORA, CO	07/20/1998
RUSSELL, ROGER K ..... PEARSON, GA	07/20/1998
SCRUGGS, KAREN C ..... LEXINGTON, KY	07/20/1998
SHORTINO, LORI ANN ..... CANOGA PARK, CA	07/20/1998
SLACK, ROGER S ..... COLUMBUS, OH	07/20/1998
SMILEY, LIZETTE M ..... RICHMOND, VA	07/20/1998
SOLOMON, MARILOU A ..... SAN MATEO, CA	07/20/1998
STEBBINS, ROBERT D ..... PALO ALTO, CA	07/20/1998
STEIGER, KEITH ..... DANBURY, CT	07/20/1998
SULLIVAN, JOFFRE ROLLAND ..... SAN JOSE, CA	07/20/1998
TEODORO, JAIME L ..... SEATTLE, WA	07/20/1998
THOMPSON, ESMON L ..... NORFOLK, VA	07/20/1998
WATERS, JAMES LEON JR .... ATLANTA, GA	07/20/1998
WHITFIELD, THOMAS P ..... CHARLOTTE, NC	07/20/1998
WILSON, PHYLLIS DELANE ... STOCKTON, CA	07/20/1998
WOLFENSON, ELENA H ..... PORTLAND, OR	07/20/1998
ZAMBRANO, HERNAN A ..... STONEHAM, MA	07/20/1998
ZANONI, VAUGHN F ..... OXFORD, MA	07/20/1998

FEDERAL/STATE EXCLUSION/ SUSPENSION

CHOPRA, SANJIV ..... ASTORIA, NY	07/20/1998
FRAZIER, MARK R ..... OMAHA, NE	07/20/1998
FUERTES, ANELSON ..... NEW YORK, NY	07/20/1998
SCHMIDT, PAUL ..... SCOTTSDALE, AZ	07/20/1998
SURFACE, MICHAEL D ..... PHOENIX, AZ	07/20/1998

OWNED/CONTROLLED BY CONVICTED/ EXCLUDED

COMMUNITY COUNSELING SERVICES ..... WAYNESVILLE, MO	07/20/1998
DOCTORS FAMILY GROUP, INC ..... MIAMI, FL	07/20/1998
ESTELA'S DME ..... MIAMI, FL	07/20/1998
FIRST MEDICAL SUPPLIES, INC ..... MIAMI, FL	07/20/1998
FLAMINGO MEDICAL SUPPLIES ..... MIAMI, FL	07/20/1998
JONES FAMILY CHIROPRACTIC ..... KENNESAW, GA	07/20/1998
MIAMI MEDICAL SUPPLIES, INC ..... MIAMI, FL	07/20/1998
SIKES DEVELOPMENT CENTER ..... CONYERS, GA	07/20/1998
STILWELL ENTERPRISES, INC ..... MABLETON, GA	07/20/1998
WESTCHESTER COUNSELING SVC ..... PEEKSKILL, NY	07/20/1998

DEFAULT ON HEAL LOAN

ADELI, MOJGAN E ..... LOS ANGELES, CA	07/20/1998
ALLEN, CHRISTOPHER L ..... HOUSATONIC, MA	07/20/1998
ANDERSON, KAI ..... DETROIT, MI	07/20/1998
BAHADUE, GEORGE P ..... HIALEAH, FL	07/20/1998
BALDWIN, LINDA L ..... MISSOULA, MT	07/20/1998
BARANCO, PATRICIA E ..... BATON ROUGE, LA	07/20/1998
BARKDULL, MORGAN G ..... VICTOR, ID	07/20/1998
BARTLETT, RICHARD W ..... SEATTLE, WA	07/20/1998
BATES, ROBERT B	07/20/1998

Subject, city, state	Effective date
BELLINGHAM, WA	
BEDELL, ANDREW D ..... FORT SCOTT, KS	07/20/1998
BELL-SMITH, LINDA ..... NASHVILLE, TN	07/20/1998
BERRY, ALBERT W ..... ALACHUA, FL	07/20/1998
BROWN, DEREK L ..... PALM SPRING, CA	07/20/1998
BYINGTON, BRAD A ..... S LAKE TAHOE, CA	07/20/1998
CAMERON, WILLIAM F ..... VIDALIA, LA	07/20/1998
CARMAN, TIMOTHY P ..... LA JOLLA, CA	07/20/1998
CHAPMAN, JENIFER L ..... NEWBURGH, IN	07/20/1998
COLLINS, GAIL W JR ..... BELLINGHAM, WA	07/20/1998
DOWNEY, BRETT M ..... HOUSTON, TX	07/20/1998
FALTH, ANNIKA M ..... SAN FRANCISCO, CA	07/20/1998
FORMAN, STEVEN W ..... CLEMENTON, NJ	07/20/1998
FOY, JAMES JR ..... CLEVELAND, OH	07/20/1998
FROUMAN, CARY L ..... AUSTIN, TX	07/20/1998
GARS, JEFFREY S ..... ST PETERSBURG, FL	07/20/1998
GOETZ, DEREK C ..... MIAMI BEACH, FL	07/20/1998
GOMES, MARIO A ..... YUBA CITY, CA	07/20/1998
GOSA, ANGELA J ..... CHICAGO, IL	07/20/1998
GOTKIN, STUART J ..... SMYRNA, GA	07/20/1998
GRIFFIN, HANK ..... LA JOLLA, CA	07/20/1998
HALPERN-SEBOLD, LESLIE R KNOXVILLE, TN	07/20/1998
HANSON, NYLA K ..... DANIELSON, CT	07/20/1998
HENNELL-LARUE, RENATA A EUGENE, OR	07/20/1998
HERRING, RAYMOND A ..... NEW HAVEN, CT	07/20/1998
HOLLANDER, GREGG M ..... PHILADELPHIA, PA.	12/22/1997
HUME, FOREST C JR ..... WILLIAMSBURG, KY	07/20/1998
JACKSON, JOHN ..... SADDLE RIVER, NJ	07/20/1998
KUNEN, FREDERICK J ..... MIAMI, FL	07/20/1998
LANDRY, NATHANIEL EARL JR ..... NEW ORLEANS, LA	07/20/1998
MATKOWSKY, PETER ..... MIDLOTHIAN, VA	07/20/1998
MCCLUSKEY, RONALD L ..... GRESHAM, OR	07/20/1998
MIYAJI, CHARLES M ..... SAN DIEGO, CA	07/20/1998
OLBERG, GREGORY S ..... HAYWARD, CA	07/20/1998
SMITH, TED L ..... TRUSSVILLE, AL	07/20/1998
THOMAS, DANNY L ..... CYPRESS, CA	07/20/1998
TSCHABRUN, KEVIN L ..... HOLDREGE, NE	07/20/1998
TULEY, BARBARA K ..... ADA, OK	07/20/1998
TYLER, JOHN R ..... RIALTO, CA	07/20/1998
VAZIRI, CHARLES ..... LOS ANGELES, CA	07/20/1998
VELARDE, DIEGO F ..... BENSENVILLE, IL	07/20/1998
VISSERS, MICHAEL J ..... BRAWLEY, CA	07/20/1998
VIVAS, WILLIAM R ..... MIAMI, FL	07/20/1998
WAHDAN, BUTHAYNA W ..... SAN BERNARDINO, CA	07/20/1998
WARREN, DANIEL SCOTT ..... HUNTINGTON BEACH, CA	07/20/1998
WEHMEYER (TUBIC), SUSAN D ..... MILWAUKEE, WI	07/20/1998
WEIERKE, BRENDA L ..... W SAINT PAUL, MN	07/20/1998
WELCH, RONALD B ..... SANDPOINT, ID	07/20/1998
WILLIAMS, PETER B ..... PORT RICHEY, FL	07/20/1998
WOOLLEY, MARK K ..... LAS VEGAS, NV	07/20/1998
YOO, IN JOON ..... LA CANADA, CA	07/20/1998

EXCLUSION BASED ON SETTLEMENT AGREEMENT

ADOLFO CONSULTING SERVICES INC ..... MIAMI, FL	10/18/1997
ALERT DIAGNOSTICS, INC .... MIAMI, FL	12/01/1997
ANDERSON, AMANDA ..... ESSEX JUNCTION, VT	12/23/1997
CARE DIAGNOSTIC SERVICES, INC ..... MIAMI, FL	10/18/1997
DADE CARE HEALTH CENTER, INC ..... MIAMI, FL	12/31/1997
GOULD, WILLIAM ..... BOSTON, MA	07/31/1997
JAVIER, ANDRIAL ..... MIAMI, FL	12/01/1997
LUBIN, L STEVE ..... MEMPHIS, TN	03/09/1998
MEDICALAB, INC ..... BROCKTON, MA	07/31/1997
NEW MEDICAL CENTER, INC HIALEAH, FL	10/18/1997
SOUTH FLORIDA DIAGNOSTIC CTR ..... MIAMI, FL	10/18/1997
STONEFIELD, RICHARD W .... HINGHAM, MA	07/31/1997
URQUIJO, GUSTAVO ADOLFO JR ..... MIAMI, FL	10/18/1997

Dated: July 6, 1998.

Joanne Lanahan,

Director, Health Care Administrative Sanctions, Office of Inspector General.

[FR Doc. 98–18622 Filed 7–13–98; 8:45 am]

BILLING CODE 4150–04–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Center for Scientific Review; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: Chemistry and Related Sciences Special Emphasis Panel ZRG3 SSS–Z (02).

Date: July 8, 1998.

Time: 2:00 PM to 3:30 PM.

Agenda: To review and evaluate grant applications.

Place: NIH, Rockledge 2, Bethesda, MD 20892 (Telephone Conference Call).

Contact Person: Ron Manning, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4158, MSC 7806, Bethesda, MD 20892, (301) 435–1723.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Chemistry and Related Sciences Special Emphasis Panel.

Date: July 15–16, 1998.

Time: 8:30 AM to 5:00 PM.

Agenda: To review and evaluate grant applications.

Place: Holiday Inn, 5520 Wisconsin Ave, Chevy Chase, MD 20815.

Contact Person: Jean D Sipe, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5152, MSC 7842, Bethesda, MD 20892, (301) 435–1743.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Chemistry and Related Sciences Special Emphasis Panel.

Date: July 16–17, 1998.

Time: 8:00 AM to 5:00 PM.

Agenda: To review and evaluate grant applications.

Place: Holiday Inn, Silver Spring Plaza, 8777 Georgia Ave, Silver Spring, MD 20910.

Contact Person: Ron Manning, PHD, Scientific Review Administrator, Center for

Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4158, MSC 7806, Bethesda, MD 20892, (301) 435–1723.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Biological and Physiological Sciences Special Emphasis Panel.
Date: July 22, 1998.
Time: 9:30 AM to 12:00 PM.
Agenda: To review and evaluate grant applications.
Place: NIH, Rockledge 2, Bethesda, MD 20892 (Telephone Conference Call).
Contact Person: Daniel B. Berch, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5204, MSC 7848, Bethesda, MD 20892, (301) 435–1256.

Name of Committee: Biological and Physiological Sciences Special Emphasis Panel ZRG2 SSS–C–2.
Date: July 23–24, 1998.
Time: 8:30 AM to 5:00 PM.
Agenda: To review and evaluate grant applications.
Place: Holiday Inn, 5520 Wisconsin Ave, Chevy Chase, MD 20815.
Contact Person: Cheri Wiggs, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5194, MSC 7848, Bethesda, MD 20892, (301) 435–1261.

Name of Committee: Clinical Sciences Special Emphasis Panel.
Date: July 24, 1998.
Time: 8:30 AM to 5:00 PM.
Agenda: To review and evaluate grant applications.
Place: Embassy Suites Chevy Chase Pavilion, 4300 Military Road, NW, Washington, DC 20015.
Contact Person: J. Terrell Hoffeld, DDS, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4116, MSC 7816, Bethesda, MD 20892, (301) 435–1781.

Name of Committee: Chemistry and Related Sciences Special Emphasis Panel ZRG3–BBCB (2S).
Date: July 26, 1998.
Time: 2:00 PM to 3:00 PM.
Agenda: To review and evaluate grant applications.
Place: NIH, Rockledge 2, Bethesda, MD 20892 (Telephone Conference Call).
Contact Person: Donald Schneider, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4172, MSC 7806, Bethesda, MD 20892, (301) 435–1727.

Name of Committee: Biological and Physiological Sciences Special Emphasis Panel ZRG2 REN (01).
Date: July 30, 1998.
Time: 8:00 AM to 5:00 PM.
Agenda: To review and evaluate grant applications.
Place: Ramada Inn, 1775 Rockville Pike, Rockville, MD 20852.
Contact Person: Abubakar A. Shaikh, DVM, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 6166, MSC 7892, Bethesda, MD 20892, (301) 435–1042.

Name of Committee: Chemistry and Related Sciences Special Emphasis Panel Special Study Section—2 (03).
Date: August 3–4, 1998.
Time: 8:00 AM to 5:00 PM.
Agenda: To review and evaluate grant applications.
Place: Ritz-Carlton Hotel at Pentagon City, 1250 South Hayes Street, Arlington, VA 22202.
Contact Person: Jean D. Sipe, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5152, MSC 7842, Bethesda, MD 20892, (301) 435–1743.

Name of Committee: Chemistry and Related Sciences Special Emphasis Panel Special Study Section—2 (02).
Date: August 3, 1998.
Time: 8:30 AM to 5:00 PM.
Agenda: To review and evaluate grant applications.
Place: Ritz-Carlton Hotel, 1250 S. Hayes Street, Arlington, VA 22202.
Contact Person: Jean D. Sipe, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5152, MSC 7842, Bethesda, MD 20892, (301) 435–1743.

Name of Committee: Chemistry and Related Sciences Special Emphasis Panel ZRG3 PBC (02).
Date: August 3, 1998.
Time: 2:00 PM to 3:00 PM.
Agenda: To review and evaluate grant applications.
Place: Ritz-Carlton Hotel at Pentagon City, 1250 South Hayes Street, Arlington, VA 22202.
Contact Person: Zakir Bengali, PHD, Scientific Review Administrator, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5150, MSC 7842, Bethesda, MD 20892, (301) 435–1742.

(Catalogue of Federal Domestic Assistance Program Nos. 93.306, Comparative Medicine, 93.306; 93.333, Clinical Research, 93.333, 93.337, 93.393–93.396, 93.837–93.844, 93.946–93.878, 93.892, 93.893, National Institutes of Health, HHS)

Dated: July 7, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98–18631 Filed 7–13–98; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Center for Scientific Review; Amended Notice of Meeting

Notice is hereby given of a change in the meeting of the Chemistry and Related Sciences Special Emphasis Panel, July 8, 1998, 2:00 PM to July 8, 1998, 4:00 PM, NIH, Rockledge 2, Bethesda, MD, 20892 which was published in the **Federal Register** on June 22, 1998, Volume 63, #119.

The meeting will be held on July 20, 1998 at the Holiday Inn, Chevy Chase, MD. The meeting is closed to the public.

Dated: July 7, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98–18632 Filed 7–13–98; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Cancer Institute; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Cancer Institute Initial Review Group Subcommittee E—Prevention & Control.
Date: August 3–4, 1998.
Time: 9:00 AM to 5:00 PM.
Agenda: To review and evaluate grant applications.
Place: Holiday Inn Georgetown, 2101 Wisconsin Avenue, N.W., Washington, DC 20007.
Contact Person: Mary C. Fletcher, Scientific Review Administrator, Grants Review Branch, Division of Extramural Activities, National Cancer Institute, National Institutes of Health, 6130 Executive Boulevard, EPN-Room 643D, Rockville, MD 20892–7405, 301/496–4964.

(Catalogue of Federal Domestic Assistance Program Nos. 93.392, Cancer Construction;

93.393, Cancer Cause and Prevention Research; 93.394, Cancer Detection and Diagnosis Research; 93.395, Cancer Treatment Research; 93.396, Cancer Biology Research; 93.397, Cancer Centers Support; 93.398, Cancer Research Manpower; 93.399, Cancer Control, National Institutes of Health, HHS)

Dated: July 7, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98–18630 Filed 7–13–98; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Cancer Institute; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The contract proposals and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the contract proposals, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Cancer Institute Special Emphasis Panel, Phase II Clinical Trials of New Chemopreventive Agents

Date: July 22, 1998

Time: 1:00 PM to 3:00 PM

Agenda: To review and evaluate contract proposals

Place: 6130 Executive Blvd., 6th Floor, Rockville, MD 20852 (Telephone Conference Call)

Contact Person: C.M. Kerwin, Ph.D., Scientific Review Administrator, Special Review, Referral and Resources Branch, Division of Extramural Affairs, National Cancer Institute, National Institutes of Health, 6130 Executive Boulevard/EPN–609, Rockville, MD 20892–7405, 301/496–7421.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

(Catalogue of Federal Domestic Assistance Program Nos. 93.392, Cancer Construction; 93.393, Cancer Cause and Prevention Research; 93.394, Cancer Detection and Diagnosis Research; 93.395, Cancer Treatment Research; 93.396, Cancer Biology Research; 93.397, Cancer Centers Support; 93.398, Cancer Research Manpower; 93.399, Cancer Control, National Institutes of Health, HHS)

Dated: July 7, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98–18636 Filed 7–13–98; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institute of Health

National Institute of Environmental Health Sciences; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: Environmental Health Sciences Review Committee, NIEHS Review Committee.

Date: July 30–31, 1998.

Time: 8:30 AM to 5:00 PM.

Agenda: To review and evaluate grant applications.

Place: NIEHS, SOUTH CAMPUS, BUILDING 101, CONFERENCE ROOM B, RESEARCH TRIANGLE PARK, NC 27709.

Contact Person: Linda Bass, PHD, Health Scientist Administrator, Nat'l Institute of Environmental Health Sciences, P.O. Box 12233, MD EC–24, Research Triangle Park, NC 27709, (919) 541–1307.

(Catalogue of Federal Domestic Assistance Program Nos. 93.115, Biometry and Risk Estimation—Health Risks from Environmental Exposures; 93.142, NIEHS Hazardous Waste Worker Health and Safety Training; 93.143, NIEHS Superfund Hazardous Substances—Basic Research and Education; 93.894, Resources and Manpower Development in the Environmental Health Sciences; 93.113, Biological Response to Environmental Health Hazards; 93.114, Applied Toxicological Research and Testing, National Institutes of Health, HHS)

Dated: July 7, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98–18627 Filed 7–13–98; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute on Alcohol Abuse and Alcoholism; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in section 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute on Alcohol Abuse and Alcoholism Special Emphasis Panel.

Date: 9:30 AM to 10:30 AM.

Agenda: To review and evaluate grant applications.

Place: 6000 Executive Blvd., Suite 409, Rockville, MD 20852, (Telephone Conference Call).

Contact Person: Aida K. Vasquez, Grant Technical Assistant, Extramural Review Branch, National Institute on Alcohol Abuse and Alcoholism, Suite 409, 6000 Executive Boulevard, Bethesda, MD 20892, 301–443–9788.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

(Catalogue of Federal Domestic Assistance Program Nos. 93.271, Alcohol Research Career Development Awards for Scientists and Clinicians; 93.272, Alcohol National Research Service Awards for Research Training; 93.273, Alcohol Research Programs; 93.891, Alcohol Research Center Grants, National Institutes of Health, HHS)

Dated: July 7, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98–18628 Filed 7–13–98; 8:45am]

BILLING CODE 4140–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute on Alcohol Abuse and Alcoholism; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as

amended (5 U.S.C. Appendix 2), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute on Alcohol Abuse and Alcoholism Special Emphasis Panel.

Date: July 15, 1998.

Time: 9:00 AM to 10:00 AM.

Agenda: To review and evaluate grant applications.

Place: 6000 Executive Blvd., Suite 409, Rockville, MD 20852 (Telephone Conference Call).

Contact Person: Aida K. Vasquez, Grant Technical Assistant, Extramural Review Branch, National Institute on Alcohol Abuse and Alcoholism, Suite 409, 6000 Executive Boulevard, Bethesda, MD 20892, 301–443–9788.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

(Catalogue of Federal Domestic Assistance Program Nos. 93.271, Alcohol Research Career Development Awards for Scientists and Clinicians; 93.272, Alcohol National Research Service Awards for Research Training; 93.273, Alcohol Research Programs; 93.891, Alcohol Research Center Grants, National Institutes of Health, HHS)

Dated: July 7, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98–18629 Filed 7–13–98; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute on Alcohol Abuse and Alcoholism; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of persona privacy.

Name of Committee: National Institute on Alcohol Abuse and Alcoholism Special Emphasis Panel ZAA1–EE–3 (RFP–AA–98–07).

Date: July 17, 1998.

Time: 2:00 PM to 5:00 PM.

Agenda: To review and evaluate grant applications.

Place: 6000 Executive Blvd., Suite 409, Rockville, MD 20852, (Telephone Conference Call).

Contact Person: Antonio Noronha, PHD, Scientific Review Administrator, Extramual Review Branch, National Institute on Alcohol Abuse and Alcoholism, Suite 409, 6000 Executive Boulevard, Bethesda, MD 20892, 301–443–7722.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

(Catalog of Federal Domestic Assistance Program Nos. 93.271, Alcohol Research Career Development Awards for Scientists and Clinicians; 93.272, Alcohol National Research Service Awards for Research Training; 93.273, Alcohol Research Programs; 93.891, Alcohol Research Center Grants, National Institutes of Health, HHS)

Dated: July 7, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98–18633 Filed 7–13–98; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute of Dental Research; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amendment (5 U.S.C. Appendix 2), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute of Dental Research Special Emphasis Panel.

Date: July 8, 1998.

Time: 1:00 PM to 3:00 PM.

Agenda: To review and evaluate grant applications.

Place: Natcher Bldg, Bethesda, MD 20892–6400, (Telephone Conference Call).

Contact Person: Philip Washko, PhD, DMD.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: National Institute of Dental Research Special Emphasis Panel.

Date: July 20, 1998.

Time: 1:30 PM to 3:00 PM.

Agenda: To review and evaluate grant applications.

Place: Natcher Bldg, Bethesda, MD 20892–6400, (Telephone Conference Call).

Contact Person: Philip Washko, PhD, DMD.

Name of Committee: National Institute of Dental Research Special Emphasis Panel.

Date: July 28, 1998.

Time: 1:00 PM to 3:00 PM.

Agenda: To review and evaluate grant applications.

Place: Natcher Bldg, Bethesda, MD 20892–6400, (Telephone Conference Call).

Contact Person: Philip Washko, PhD, DMD.

(Catalogue of Federal Domestic Assistance Program Nos. 93.121, Oral Diseases and Disorders Research, National Institutes of Health, HHS)

Dated: July 7, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98–18634 Filed 7–13–98; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute of Mental Health; Amended Notice of Meeting

Notice is hereby given of a change in the meeting of the National Institute of Mental Health Special Emphasis Panel, July 10, 1998, 1:00 p.m. to July 10, 1998, 2:00 p.m., Parklawn Building—Room 9C–26, 5600 Fishers Lane, Rockville, MD 20857, which was published in the **Federal Register** on June 23, 1998, 63 FR 34191.

The meeting will be held July 13, 1998 at 1:00 p.m. at the same location. The meeting is closed to the public.

Dated: July 7, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98–18635 Filed 7–13–98; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute of Mental Health; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute of Mental Health Special Emphasis Panel.
Date: July 16, 1998.
Time: 1:00 PM to 2:00 PM.
Agenda: To review and evaluate grant applications.
Place: Parklawn Building—Room 9C–26, 5600 Fishers Lane, Rockville, MD 20857, (Telephone Conference Call).
Contact Person: Sheila O'Malley, Scientific Review Administrator, Division of Extramural Activities, National Institute of Mental Health, NIH, Parklawn Building, 5600 Fishers Lane, Room 9C–26, Rockville, MD 20857, 301–443–6470.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: National Institute of Mental Health Special Emphasis Panel.
Date: July 21, 1998.
Time: 2:30 PM to 4:30 PM.
Agenda: To review and evaluate grant applications.
Place: Parklawn Building—Room 9–101, 5600 Fishers Lane, Rockville, MD 20857, (Telephone Conference Call).
Contact Person: Susan M. Matthews, Scientific Review Administrator, Division of Extramural Activities, National Institute of Mental Health, NIH, Parklawn Building, 5600 Fishers Lane, Room 9–101, Rockville, MD 20857, 301–443–5047.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

(Catalogue of Federal Domestic Assistance Program Nos. 93.281, Scientist Development Award, Scientist Development Award for Clinicians, and Research Scientist Award; 93.282, Mental Health National Research Service Awards for Research Training; 93.242, Mental Health Research Grants, National Institutes of Health, (HHS).

Dated: July 7, 1998.

LaVerne Y. Stringfield,
Committee Management Officer, NIH

[FR Doc. 98–18637 Filed 7–13–98; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute of Mental Health; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute of Mental Health Special Emphasis Panel.
Date: July 13, 1998.
Time: 2:30 p.m. to 4:30 p.m.
Agenda: To review and evaluate grant applications.
Place: Parklawn Building—Room 9C–26, 5600 Fishers Lane, Rockville, MD 20857, (Telephone Conference Call).
Contact Person: Victoria S. Levin, Scientific Review Administrator, Division of Extramural Activities, National Institute of Mental Health, NIH, Parklawn Building, 5600 Fishers Lane, Room 9C–26, Rockville, MD 20857, 301–443–6470.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: National Institute of Mental Health Special Emphasis Panel.
Date: July 14, 1998.
Time: 12:30 p.m. to 1:30 p.m.
Agenda: To review and evaluate grant applications.
Place: Parklawn Building—Room 9–105, 5600 Fishers Lane, Rockville, MD 20857, (Telephone Conference Call).
Contact Person: Jean G. Noronha, PHD, Scientific Review Administrator, Division of Extramural Activities, National Institute of Mental Health, NIH, Parklawn Building, 5600 Fishers Lane, Room 9C–26, Rockville, MD 20857, 301–443–6470.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: National Institute of Mental Health Special Emphasis Panel.
Date: July 21, 1998.
Time: 10:15 a.m. to 12:15 p.m.
Agenda: To review and evaluate grant applications.
Place: Parklawn Building—Room 9C–26, 5600 Fishers Lane, Rockville, MD 20857, (Telephone Conference Call).
Contact Person: Victoria S. Levin, Scientific Review Administrator, Division of Extramural Activities, National Institute of Mental Health, NIH, Parklawn Building, 5600 Fishers Lane, Room 9C–26, Rockville, MD 20857, 301–443–6470.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: National Institute of Mental Health Special Emphasis Panel.
Date: July 21, 1998.
Time: 1:00 p.m. to 3:30 p.m.
Agenda: To review and evaluate grant applications.
Place: Parklawn Building—Room 9C–26, 5600 Fishers Lane, Rockville, MD 20857, (Telephone Conference Call).
Contact Person: Victoria S. Levin, Scientific Review Administrator, Division of Extramural Activities, National Institute of Mental Health, NIH, Parklawn Building, 5600 Fishers Lane, Room 9C–26, Rockville, MD 20857, 301–443–6470.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: National Institute of Mental Health Special Emphasis Panel.
Date: July 22, 1998.
Time: 9:30 a.m. to 12:00 p.m.
Agenda: To review and evaluate contract proposals.
Place: Parklawn Building—Room 17–94, 5600 Fishers Lane, Rockville, MD 20857.
Contact Person: Michael J. Moody, Scientific Review Administrator, Division of Extramural Activities, National Institute of Mental Health, NIH, Parklawn Building, 5600 Fishers Lane, Room 9–105, Rockville, MD 20857, 301–443–3367.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: National Institute of Mental Health Special Emphasis Panel.
Date: July 24, 1998.
Time: 9:30 a.m. to 2:30 p.m.
Agenda: To review and evaluate grant applications.
Place: Holiday Inn Chevy Chase, 5520 Wisconsin Avenue, Chevy Chase, MD 20815.
Contact Person: Robert H. Stretch, PHD, Scientific Review Administrator, Division of Extramural Activities, National Institute of Mental Health, NIH, Parklawn Building, 5600 Fishers Lane, Room 9C–18, Rockville, MD 20857, 301–443–4728.

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: National Institute of Mental Health Special Emphasis Panel.

Date: July 30, 1998.

Time: 12:00 p.m. to 1:00 p.m.

Agenda: To review and evaluate grant applications.

Place: Parklawn Building—Room 9C–26, 5600 Fishers Lane, Rockville, MD 20857, (Telephone Conference Call).

Contact Person: Jean G. Noronha, PHD, Scientific Review Administrator, Division of Extramural Activities, National Institute of Mental Health, NIH, Parklawn Building, 5600 Fishers Lane, Room 9C–26, Rockville, MD 20857, 301–443–6470.

(Catalogue of Federal Domestic Assistance Program Nos. 93.242, Mental Health Research Grants; 93.281, Scientist Development Award, Scientist Development Award for Clinicians, and Research Scientist Award; 93.282, Mental Health National Research Service Awards for Research Training, National Institutes of Health, HHS)

Dated: July 7, 1998.

LaVerne Y. Stringfield,

Committee Management Officer, NIH.

[FR Doc. 98–18638 Filed 7–13–98; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Substance Abuse and Mental Health Services Administration (SAMHSA)

Notice of Meeting

Pursuant to Public Law 92–463, notice is hereby given of the following meeting of the SAMHSA Special Emphasis Panel I in August 1998.

A summary of the meeting and a roster of the members may be obtained from: Ms. Dee Herman, Committee Management Liaison, SAMHSA, Office of Policy and Program Coordination, Division of Extramural Activities, Policy, and Review, 5600 Fishers Lane, Room 17–89, Rockville, Maryland 20857. Telephone: 301–443–7390.

Substantive program information may be obtained from the individual named as Contact for the meeting listed below.

The meeting will include the review, discussion and evaluation of individual grant applications. These discussions could reveal personal information concerning individuals associated with the applications. Accordingly, this meeting is concerned with matters exempt from mandatory disclosure in Title 5 U.S.C. 552b(c)(6) and 5 U.S.C. App. 2, § 10(d).

Committee Name: SAMHSA Special Emphasis Panel I (SEP I).

Meeting Dates: August 3–7, 1998.

Place: Hyatt Regency—Crystal City, 2799 Jefferson Davis Highway, Arlington, VA 22202.

Closed: August 3–6, 1998 9:00 a.m.–5:00 p.m., August 7, 1998 9:00 a.m.–adjournment.

Panel: Center for Mental Health Services Cooperative Agreements to Document and Evaluate Mental Health/Substance Abuse Services for Older Adults Through Primary Health Care SM 98–009.

Contact: W. Peter Allen, Review Administrator, Room 17–89, Parklawn Building, Telephone: 301–443–9919 and FAX: 301–443–3437.

Dated: July 8, 1998.

Jeri Lipov,

Committee Management Officer, SAMHSA.

[FR Doc. 98–18693 Filed 7–13–98; 8:45 am]

BILLING CODE 4162–20–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Substance Abuse and Mental Health Services Administration (SAMHSA)

Notice of Meeting

Pursuant to Public Law 92–463, notice is hereby given of the following meeting of the SAMHSA Special Emphasis Panel I in August 1998.

A summary of the meeting and a roster of the members may be obtained from: Ms. Dee Herman, Committee Management Liaison, SAMHSA, Office of Policy and Program Coordination, Division of Extramural Activities, Policy, and Review, 5600 Fishers Lane, Room 17–89, Rockville, Maryland 20857. Telephone: 301–443–7390.

Substantive program information may be obtained from the individual named as Contact for the meeting listed below.

The meeting will include the review, discussion and evaluation of individual grant applications. These discussions could reveal personal information concerning individuals associated with the applications. Accordingly, this meeting is concerned with matters exempt from mandatory disclosure in Title 5 U.S.C. 552b(c)(6) and 5 U.S.C. App.2, § 10(d).

Committee Name: SAMHSA Special Emphasis Panel I (SEP I).

Meeting Dates: August 3–5, 1998.

Place: Hyatt Regency at Crystal City, 2799 Jefferson Davis Highway, Arlington, VA 22202.

Closed: August 3–4, 1998 8:30 a.m.—5:00 p.m., August 5, 8:30 a.m.—adjournment.

Panel: Center for Substance Abuse Prevention Cooperative Agreements for Initiatives on Welfare Reform and Substance Abuse Prevention for Parenting Adolescents.

Contact: Pamela M. Perry, Room 13–99, Parklawn Building, Telephone: 301–443–7625 and FAX: 301–443–3437.

Dated: July 8, 1998.

Jeri Lipov,

Committee Management Officer SAMHSA.

[FR Doc. 98–18694 Filed 7–13–98; 8:45 am]

BILLING CODE 4162–20–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Substance Abuse and Mental Health Services Administration (SAMHSA)

Notice of Meeting

Pursuant to Public Law 92–463, notice is hereby given of the following meeting of the SAMHSA Special Emphasis Panel I in July 1998.

A summary of the meeting and a roster of the members may be obtained from: Ms. Dee Herman, Committee Management Liaison, SAMHSA, Office of Policy and Program Coordination, Division of Extramural Activities, Policy, and Review, 5600 Fishers Lane, Room 17–89, Rockville, Maryland 20857. Telephone: 301–443–7390.

Substantive program information may be obtained from the individual named as Contact for the meeting listed below.

The meeting will include the review, discussion and evaluation of individual grant applications. These discussions could reveal personal information concerning individuals associated with the applications. Accordingly, this meeting is concerned with matters exempt from mandatory disclosure in Title 5 U.S.C. 552b(c)(6) and 5 U.S.C. App. 2, § 10(d).

Committee Name: SAMHSA Special Emphasis Panel I (SEP I).

Meeting Dates: July 27–31, 1998.

Place: Hyatt Regency—Crystal City, 2799 Jefferson Davis Highway, Arlington, VA 22202.

Closed: July 17–30, 1998, 9:00 a.m.—5:00 p.m.; July 31, 1998 9:00 a.m.—adjournment.

Panel: Center for Mental Health Services Statewide, Consumer and Consumer Supporter Networking SM 98–013.

Contact: Sarah Silverman, Review Administrator, Room 17–89, Parklawn Building, Telephone: 301–443–3042 and FAX: 301–443–3437.

Dated: July 7, 1998.

Jeri Lipov,

Committee Management Officer, SAMHSA.

[FR Doc. 98–18695 Filed 7–13–98; 8:45 am]

BILLING CODE 4162–20–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

[I.D. 071098F]

Receipt and Availability of Applications for Permits to Allow Incidental Take of Threatened and Endangered Species by The Pacific Lumber Company and its Subsidiaries, Scotia Pacific Holding Company and Salmon Creek Corporation, on Lands in Humboldt County, California

AGENCY: Fish and Wildlife Service, Interior; National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Commerce.

ACTION: Notice of receipt and availability for public comment.

SUMMARY: The Pacific Lumber Company and its wholly-owned subsidiaries, Scotia Pacific Holding Company and Salmon Creek Corporation (collectively, the Companies), have applied to the Fish and Wildlife Service and the National Marine Fisheries Service (collectively, the Services) for an incidental take permit from each of the Services pursuant to section 10(a) of the Endangered Species Act of 1973, as amended (ESA). The federally listed species for which the Companies have requested permits are the northern spotted owl (*Strix occidentalis caurina*), marbled murrelet (*Brachyramphus marmoratus*), American peregrine falcon (*Falco peregrinus anatum*), bald eagle (*Haliaeetus leucocephalus*), western snowy plover (*Charadrius alexandrinus nivosus*), and coho salmon (*Oncorhynchus kisutch*). The Companies have also requested that 30 currently proposed and other unlisted species be included on the permits, should the species be listed in the future under the ESA. The proposed take would occur incidental to timber harvest and other proposed activities on the Companies lands in Humboldt County, California. The applications have been assigned Fish and Wildlife Service permit number PRT–828950 and National Marine Fisheries Service permit number 1157. The Services announce the availability for public comment of the permit applications, including the associated proposed Habitat Conservation Plan (Plan) and proposed Implementation Agreement. All comments received will become part of the public record and may be released. This notice is provided pursuant to section 10(c) of the ESA. The proposed Plan is, among other things, also intended to satisfy the requirements for a Sustained Yield Plan under California State law and the requirements for an incidental take permit under section 2081(b) of the California Endangered Species Act. The Services are currently developing, with the California Department of Forestry and the California Department of Fish and Game, a joint Draft Environmental Impact Statement/Environmental Impact Report, in accordance with the National Environmental Policy Act and California Environmental Quality Act. The Services plan to release the Draft Environmental Impact Statement/ Environmental Impact Report in August and to hold several public hearings on it in September.

DATES: Written comments on the permit application, Plan, and Implementation Agreement must be received on or before October 13, 1998.

ADDRESSES: Comments regarding the application, Plan, and Implementation Agreement should be addressed to Mr. Bruce Halstead, Fish and Wildlife Service, 1125 16th Street, Room 209, Arcata, California 95521–5582. Written comments may be sent by facsimile to (707) 822–8411. Please refer to permit number PRT–828950 and number 1157 when submitting comments. Please see **SUPPLEMENTARY INFORMATION** section for additional information on the availability of the Plan and Implementation Agreement.

FOR FURTHER INFORMATION CONTACT: Mr. Bruce Halstead, Fish and Wildlife Service, (707) 822–7201, or Mr. Craig Wingert, National Marine Fisheries Service, (562) 980–4020.

SUPPLEMENTARY INFORMATION: The Companies own and manage commercial forest land in northern California. The Pacific Lumber Company, and its corporate parent, signed an agreement on September 28, 1996, with the United States and the State of California. The agreement created a framework for the transfer of approximately 7,500 acres of private forest lands, including the Headwaters Forest (approximately 4500 acres) and the Elk Head Forest (approximately 1125 acres) to State and Federal ownership. As originally structured, the Agreement anticipated an exchange of these lands and timber for Federal and State assets with a value of $300 million and a portion of the Elk River Property to be acquired by the United States for up to $80 million.

The agreement also called for, among other things, development and submission by the Companies, and processing by the Services, of applications pursuant to section 10 of the ESA for incidental take permits, accompanied by a habitat conservation plan. Under terms of the agreement, the Companies were to develop a multi-species habitat conservation plan for lands currently within their ownership, as well as certain other lands which would be acquired by the Companies under the framework envisioned by the agreement.

On November 14, 1997, Congress enacted PL 105–83. In that legislation, Congress appropriated monies to satisfy the federal funding obligations for land acquisitions anticipated in the September 1996 agreement. The authorization for the expenditure of these funds expires March 1, 1999, and is effective only when, among other things, an incidental take permit is issued covering the Pacific Lumber property.

On February 27, 1998, the parties to the September 1996 agreement signed a ''Pre-Permit Application Agreement in Principle,'' setting forth principles to guide the Companies in developing the Plan prior to its submission to and evaluation by the Services in accordance with the ESA and the National Environmental Policy Act.

Under section 9 of the ESA and its implementing regulations, A ''taking'' of threatened and endangered species is prohibited. However, the Services, under limited circumstances, may issue permits to take threatened or endangered wildlife species if such taking is incidental to, and not the purpose of, otherwise lawful activities. Regulations governing permits for threatened and endangered species are codified in 50 CFR 17.22, 17.32, 222.22, and 222.24–28.

In the Plan, the Companies address species conservation and ecosystem management on approximately 211,700 acres of land, primarily in the coastal redwood zone of Humboldt County, California, currently owned by the Companies or to be acquired as part of the Headwaters transaction, and also any additional lands within one mile of the boundaries of these lands, no more than 25,000 acres of which may be covered by the permit. Most of the Companies currently-owned lands occur in a largely contiguous block. The

duration of the proposed permit and Plan is 50 years.

The proposed Plan addresses 36 species for which the Companies seek coverage under section 10 of the ESA. The Plan focuses on six species due to their listing status, occurrence on the property, and likelihood to be affected by activities proposed by the Companies. The six focus species are identified here.

The proposed permit and Plan would authorize take of northern spotted owls associated with management activities in northern spotted owl habitat on the Companies lands. There are currently more than 140 northern spotted owl sites on the Companies' lands within the planning area, and approximately 70 owl sites within one mile of the Companies' ownership. The Plan would allow incidental take of northern spotted owls consistent with providing adequate nesting, roosting, and foraging habitat necessary to maintain a viable breeding owl population on the Companies' lands throughout the permit period.

The proposed permit and Plan would also authorize take associated with management activities within marbled murrelet habitat and establish a system of Marbled Murrelet Conservation Areas designed to protect most of the highest quality old-growth redwood forest murrelet habitat on the property.

Coho salmon, chinook salmon (*Oncorhynchus tshawytscha*), cutthroat trout (*Oncorhynchus clarki*), and steelhead (*Oncorhynchus mykiss*) are the other focus species. In addressing conservation needs of these species for properly functioning aquatic conditions, the proposed Plan includes a riparian buffer strategy, a road strategy, stream monitoring, and a hillslope/erosion control strategy. Under the Plan, the Companies may, at their option, conduct subsequent watershed analysis to tailor mitigation prescriptions to site specific conditions.

The American peregrine falcon, bald eagle, and western snowy plover are included in the permit application to cover circumstances where these listed species may occur on the property and at some point be affected by the Companies' proposed covered activities.

Other currently unlisted species also addressed in the Plan and proposed for inclusion on the permit are the foothill yellow-legged frog (*Rana boylei*), red-legged frog (*Rana aurora*), southern torrent salamander (*Rhyacotriton variegatus*), tailed frog (*Ascaphus truei*), northwestern pond turtle (*Clemmys marmorata marmorata*), bank swallow (*Riparia riparia*), double-crested cormorant (*Phalacrocorax auritus*), great blue heron (*Ardea herodias*), great egret (*Casmerodius albus*), snowy egret (*Egretta thula*), black-crowned night heron (*Nycticorax nycticorax*), sharp-shinned hawk (*Accipiter striatus*), Cooper's hawk (*Accipiter cooperi*), northern goshawk (*Accipiter gentilis*), ferruginous hawk (*Buteo regalis*), osprey (*Pandion haliaetus*), yellow warbler (*Dendroica petechia*), yellow-breasted chat (*Icteria virens*), burrowing owl (*Speotyto cunicularia*), golden eagle (*Aquila chrysaetos*), pileated woodpecker (*Dryocopus pileatus*), purple martin (*Progne subis*), Vaux's swift (*Chaetura vauxi*), California red tree vole (*Arborimus pomo*), Humboldt martin (*Martes americana humboldtensis*), Pacific fisher (*Martes pennanti pacificia*), and the Pacific lamprey (*Lampetra tridentata*). Information supporting inclusion of the Pacific lamprey on the permit is limited. The National Marine Fisheries Service will consider all information available at the close of the comment period to determine whether permit coverage can be provided for the Pacific lamprey.

The Services invite the public to comment on the proposed Habitat Conservation Plan and the draft Implementing Agreement. Public Law 105–83 specifies a deadline of March 1, 1999, for completion of the entire process of purchasing the Headwaters. In order to meet that deadline, the Services anticipate that they will not be able to extend the public comment period.

Additional Addresses

Copies of the multi-volume plan and Implementing Agreement containing over 1000 pages, or portions thereof, can be obtained at the following copy centers for duplication and mailing charges: Sir Speedy, 601 North Market Boulevard, 350, Sacramento, California 95834, (916) 927–7171; Kinko's, 2021 Fifth Street, Eureka, California 95501, (707) 445–3334; Kinko's, Stanyan Street and Geary Boulevard, San Francisco, California 94118, (415) 750–1193; and Kinko's, 835 Wilshire Boulevard, Suite 100, Los Angeles, California 90017, (213) 892–1700. The Implementation Agreement and major portions of the plan that could be practicably reproduced electronically will be available at The California Environmental Resources Evaluation System website at http://www.ceres.ca.gov/ and through the Fish and Wildlife Service website at http://www.r1.fws.gov/text/species.html. Copies of the Implementing Agreement and those portions of the plan that can be electronically reproduced will be available on compact disc which, along with paper copies of a detailed summary, can be obtained by contacting the Fish and Wildlife Service, 1125 16th Street, Room 209, Arcata, California 95521–5582, (707) 822–7201.

The documents are also available for review at the following government offices and libraries.

Government Offices

California Department of Forestry and Fire Protection, Humboldt-Del Norte Ranger Unit, 118 South Fortuna Boulevard, Fortuna, California 95540, (707) 725–4413; California Department of Forestry and Fire Protection, Coast-Cascade Region Headquarters, 135 Ridgeway Avenue, P.O. Box 670, Santa Rosa, California 95401, (707) 576–2959; California Department of Forestry and Fire Protection, State Headquarters, 1416 Ninth Street, Room 1516–4A, Sacramento, California 95814, (916) 653–5843; Fish and Wildlife Service, Coastal California Fish and Wildlife Office, 1125 16th Street, Room 209, Arcata, California 95521–5582, (707) 822–7201; Fish and Wildlife Service, Sacramento Fish and Wildlife Office, 3310 El Camino Avenue, Suite 120, Sacramento, California 95821–6310, (916) 979–2710; National Marine Fisheries Service, 777 Sonoma Avenue, Room 325, Santa Rosa, California 95404–6515, (310) 980–4001; and California Department of Fish and Game, 619 Second Street, Eureka, California 95501, (707) 441–5672.

Libraries

Alameda Free Library, 2264 Santa Clara Avenue, Alameda, California 94501–4506, (510) 748–4669; Alameda County Library, 2450 Stevenson Boulevard, Fremont, California 94538–2326, (510) 505–7001; Anaheim Public Library, 500 W. Broadway, Anaheim, California 92805–3699, (714) 765–1810; Berkeley Public Library, 2090 Kittredge Street, Berkeley, California 94704–1491, (510) 644–6100; California State Library, Information and Reference Center, 914 Capitol Mall, Room 301, Sacramento, California 95814, (916) 654–0261; Colusa County Free Library, 738 Market Street, Colusa, California 95932–2398, (530) 458–7671; Contra Costa County Library, 1750 Oak Park Boulevard, Pleasant Hill, California 94523–4497, (510) 646–6423; Del Norte County Library District, 190 Price Mall, Crescent City, California 95531–4395, (707) 464–9793; Humboldt County Library, 1313 Third Street, Eureka, California 95501–1088, (707) 269–1900; Humboldt State University Library, Humboldt State University, Arcata, California 95521, (707) 826–4939; Lake County Library, 1425 N. High Street,

Lakeport, California 95453–3800, (707) 263–8816; Long Beach Public Library, 101 Pacific Avenue, Long Beach, California 90822–1097, (562) 570–6291; Los Angeles Public Library, 630 W. Fifth Street, Los Angeles, California 90071–2097, (213) 228–7515; County of Los Angeles Public Library, 7400 E. Imperial Highway, Downey, California 90242–7011, (562) 940–8462; Marin County Free Library, 3501 Civic Center Drive, San Rafael, California 94903–4188, (415) 499–6051; Mendocino County Library, 105 N. Main Street, Ukiah, California 95482–4482, (707) 463–4491; Menlo Park Public Library, 800 Alma Street, Menlo Park, California 94025–3460, (650) 858–3460; Mountain View Public Library, 585 Franklin Street, Mountain View, California 94041–1998, (650) 903–6335; National City Public Library, 200 E. 12th Street, National City, California 91950–3314, (619) 336–4280; Newport Beach Public Library, 1000 Avocado Avenue, Newport Beach, California 92660, (714) 717–3800; Oakland Public Library, 125 14th Street, Oakland, California 94612–4397, (510) 238–3633; Ontario City Library, 215 E. C Street, Ontario, California 91764–4198, (909) 988–8481; Orange Public Library (under renovation), El Modena Branch Library (alternative), 380 S. Hewes, Orange, California 92869, (714) 288–2471; Orange County Public Library, 1501 E. St. Andrew Place, Santa Ana, California 92705, (714) 566–3000; Oxnard Public Library, 251 South A Street, Oxnard, California 93030–5750, (805) 385–7500; Palo Alto City Library, 1213 Newell Road, Palo Alto, California 94303–2999, (650) 329–2516; Pasadena Public Library, 285 E. Walnut Street, Pasadena, California 91101–1598, (626) 744–4033; Redwood City Public Library, 1044 Middlefield Road, Redwood City, California 94063–1868, (650) 780–7061; Sacramento Public Library, 828 I Street, Sacramento, California 95814–2589, (916) 264–2770; San Bruno Public Library, 701 Angus Avenue W., San Bruno, California 94066–3490, (650) 877–8878; San Francisco Public Library, 100 Larkin Street, San Francisco, California 94102–4796, (415) 557–4400; San Jose Public Library, 180 W. San Carlos Street, San Jose, California 95113–2096, (408) 277–4822; San Mateo Public Library, 55 W. Third Avenue, San Mateo, California 94402–1592, (650) 377–4685; San Mateo County Library, 25 Tower Road, San Mateo, California 94402–4000, (650) 312–5258; San Rafael Public Library, 1100 E Street, San Rafael, California 94901–1907, (415) 485–3323; Santa Barbara Public Library, 40 E. Anapamu Street, Santa Barbara, California 93101, (805) 962–7653; Santa Clara Public Library, 2635 Homestead Road, Santa Clara, California 95051–5322, (408) 984–3236; Santa Clara County Library, 1095 N. Seventh Street, San Jose, California 95112–4446, (408) 293–2326; Santa Cruz Public Library, 224 Church Street, Santa Cruz, California 95060–3873, (408) 429–3532; Santa Monica Public Library, 1343 Sixth Street, Santa Monica, California 90401–1610, (310) 458–8608; Shasta County Library, 1855 Shasta Street, Redding, California 96001–0460, (530) 225–5769; Siskiyou County Free Library, 719 Fourth Street, Yreka, California 96097–3381, (530) 842–8175; Sonoma County Library, Third and E Streets, Santa Rosa, California 95404–4400, (707) 545–0831; South San Francisco Public Library, 840 W. Orange Avenue, South San Francisco, California 94080–3124, (650) 829–3872; Tehama County Library, 645 Madison Street, Red Bluff, California 96080–3383, (530) 527–0607; Trinity County Free Library, 211 N. Main Street, Weaverville, California 96093–1226, (530) 623–1373; Ventura County Library Services, 800 S. Victoria Avenue, Ventura, California 93009, (805) 662–6756; Central Library, 801 SW. 10th Avenue, Portland, Oregon 97205, (503) 248–5123; Houston Public Library, 500 McKinney Street, Houston, Texas 77002, (713) 247–2222; National Clearinghouse Library, 624 Ninth Street, NW, 600, Washington, D.C. 20425, (202) 376–8110; and New York Public Library, 455 Fifth Avenue, New York, New York 10016, (212) 340–0849.

Authority: 16 U.S.C. 1531–1544, and 4201–4245.

Dated: July 6, 1998.

Michael J. Spear,

Acting Regional Director, Fish and Wildlife Service, Region 1, Portland, Oregon.

Dated: July 7, 1998.

David L. Evans,

Deputy Assistant Administrator for Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration.

[FR Doc. 98–18845 Filed 7–13–98; 8:45 am]

BILLING CODE 3510–22–F

DEPARTMENT OF THE INTERIOR

Geological Survey

Request for Public Comments on Proposed Information Collection Submitted to the Office of Management and Budget for Review Under the Paperwork Reduction Act

The proposed collection of information described belo0w has been submitted to the Office of Management and Budget for approval under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35). Copies of the proposed collection of information may be obtained by contracting the Bureau's clearance officer at the phone number listed below. 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 within 30 days in order to assure their maximum consideration. Comments and suggestions on the proposal should be made directly to the Desk Officer for the Interior Department, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 and to the Bureau clearance officer, U.S. Geological Survey, 807 National Center, 12201 Sunrise Valley Drive, Reston, Virginia, 20192, telephone (703) 648–7313.

Specific public comments are requested as to:

1. Whether the collection of information is necessary for the proper performance of the functions of the bureau, including whether the information will have practical utility;
2. The accuracy of the bureau's estimate of the burden of the collection of information, including the validity of the methodology and assumptions used;
3. The quality, utility, and clarity of the information to be collected; and
4. How 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 form of information technology.

Title: User Survey for National Biological Information Infrastructure.

OMB Approval Number: New Collection.

Abstract: The U.S. Geological Survey is leading the cooperative development of the National Biological Information Infrastructure (NBII). The NBII is a distributed electronic federation of biological data and information which is available publicly on the Internet/World Wide Web (http://www.nbii.gov). Internet users from government agencies, non-government organizations, universities, and from the general public use the NBII to locate and access data and information on biological resources and resource issues. In order to better understand the requirements of NBII users and to continue to make improvements to the NBII system, both in content and in functionality, a voluntary survey will be conducted whereby visitors to the NBII World Wide Web site will have the opportunity (optional) to provide

feedback on the utility and effectiveness of the NBII operation and contents in meeting their needs.

Bureau Form Number: None.

Frequency: One time per respondent.

Description of Respondents: Individuals or households, Federal Government, State, Local, or Tribal Government, Business or other for-profit, Not-for-profit institutions.

Estimated Competition Time: 3 minutes per respondent (approximate).

Number of Respondents: 320 per month (estimated based on an average of 1600 different visitors to the NBII World Wide Web site each month, and, of the total number of site visitors, an estimate survey response rate of 20 percent).

Burden Hours: 192 hours. (Estimate of annual burden hours based on an estimated 20 percent survey response rate for an average of 1600 web site visitors per month, and an estimate of 3 minutes to complete each survey).

Dated: July 9, 1998.

Byron K. Williams,

Chief, Cooperative Research Units.

[FR Doc. 98–18745 Filed 7–13–98; 8:45 am]

BILLING CODE 4310–Y7–M

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[WY–040–05–1310–01]

Pinedale Anticline Natural Gas Field Development Project EIS and Notice of Field Tour and Public Meeting, Sublette County, Wyoming

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of intent to conduct public scoping and prepare an environmental impact statement.

SUMMARY: The action is to conduct scoping and to prepare an Environmental Impact Statement (EIS) on Ultra Resources, Inc., McMurry Oil Company, Alpine Gas Company, Amoco Production Company, and other companies potential natural gas development in the area referred to as the Pinedale Anticline. Those interested in participating in the process and who have concerns, issues, or alternatives they would like to see addressed in the EIS, should respond with written comments within 30 days of the date of this Notice.

DATES: A Scoping Notice will be distributed by mail on or about the date of this notice. Responses and comments will be accepted for 30 days following the date of this notice. The proponents of this action and the Bureau of Land Management (BLM) cordially invite those interested to attend a public tour of the project area on July 23, 1998. Attendees will leave from the BLM Office, 432 E. Mill Street, Pinedale, Wyoming, at 1 p.m. (parking is available), and the tour will end by 5 p.m. Transportation and refreshments will be provided as long as you RSVP by 4:30 p.m., July 17, 1998, by calling 307–367–5300.

BLM will also hold a public meeting at the Pinedale Public School Auditorium, Pinedale, Wyoming, starting at 7 p.m., July 23, 1998. BLM will be soliciting representatives from affected interests and stakeholders to participate in the environmental analysis process. All comments received at the public meeting or through written comments submitted by mail will aid the BLM in identifying alternatives and assuring all issues are analyzed in the environmental impact analysis.

ADDRESSES: Information and a copy of the Scoping Notice for the Pinedale Anticline Natural Gas Field Development Project EIS can be obtained by writing or visiting the following offices:

BLM, Wyoming State Office, 5353 Yellowstone Road, P.O. Box 1828, Cheyenne, Wyoming 82003.

BLM, Rock Springs District Office, 280 Highway 191 North, Rock Springs, Wyoming 82902–1869.

BLM, Pinedale Resource Area Office, 432 East Mill Street, P.O. Box 768, Pinedale, Wyoming 82941.

Scoping comments should be sent to: Bureau of Land Management, Rock Springs District Office, ATTN: Bill McMahan, Project Manager, 280 Highway 191 North, Rock Springs, Wyoming 82901.

FOR FURTHER INFORMATION CONTACT: Bill McMahan, Project Manager, Bureau of Land Management, Rock Springs District Office, phone 307–352–0224.

SUPPLEMENTARY INFORMATION: The total project area includes approximately 197,170 acres. This acreage includes approximately 157,330 acres Federal surface, 30,130 acres private surface, and 9,710 acres State surface. The subsurface mineral estate is comprised of approximately 164,200 acres Federal minerals, 21,980 acres of private minerals, and 10,990 acres State minerals.

The Pinedale Anticline Project area is located in the central part of Sublette County, Wyoming, bordered by Pinedale on the north, Highway 191 on the east, the northern border of the Jonah II Project area on the south, and the Green River on the west. Access to the project area is from U.S. Highway 191, Wyoming Highway 351, County roads and other roads via existing rights-of-way.

The companies would like to proceed with implementing the potential field development within the area beginning in the summer of 1999. They do not know at this time the number of wells reasonably expected to adequately extract the natural gas. Currently, the companies are drilling exploratory wells, the results of which will give the companies the necessary information upon which to project the potential number of wells reasonably possible. The information from the exploratory drilling should be available by fall of this year. Once this information is available, the companies will develop a drilling program, based on the level of exploratory drilling success, including estimated miles of access road, pipelines, and compressors that will be needed to develop the resource. The area currently has 23 wells located along 27 miles of the Pinedale Anticline. Also, two pipelines currently serve the Pinedale Anticline area. This field development project will address additional pipeline needs for transporting natural gas. The potential development would include the following associated facilities:

- At each surface well location: separator, dehydrator, production tanks, and tinhorns (for holding produced water).
- To each surface well location: access road and a 3 to 4 inch gas gathering pipeline.
- Water supply wells.
- Natural gas transmission pipeline extending southwest to tie in to an existing pipeline transportation system.
- Compressor facilities to transport the natural gas through pipelines to a gas processing facility.

The Companies will be allowed to drill a limited number of exploratory wells while the EIS document is being prepared in accordance with the May 7, 1998, decision by the Pinedale Resource Area Manager. The exploratory drilling will include evaluating the feasibility of pad drilling (multiple wells from a single pad) by some companies. The exploratory drilling will be allowed so long as there is no significant impact, no irreversible or irretrievable commitment of a resource, and/or no compromising the selection of an alternative identified through the environmental analysis process. Results from the exploratory wells will assist the BLM and the companies in determining the likely level of development necessary to achieve the Federal mandate of maximum ultimate recovery of Federal mineral resources.

The intent of the natural gas development is to extract and recover natural gas from the Pinedale Anticline lease area, allowing the companies to provide more natural gas to companies distributing and supplying natural gas to consumers. This would benefit consumers by making additional supplies of clean-burning natural gas available.

Land and resource management issues and concerns associated with the construction of roads, well pads, and pipelines; the drilling and completion of wells; and the operation and maintenance of a producing well field that will be analyzed in the EIS will include;

* Potential impacts to nesting raptors.
* Potential impacts to Threatened/Endangered/Candidate species (plant and animal).
* Potential impacts to Threatened/Endangered Colorado River fish from water depletions.
* Potential impacts to sage grouse breeding, nesting, and winter range habitat.
* Potential impacts to Sublette antelope herd migration.
* Potential impacts to Sublette mule deer herd migration.
* Potential impacts to wildlife habitat and fish habitat.
* Potential impacts to State Priority One birds and mammals.
* Potential conflicts with livestock and range improvements.
* Potential impacts on cultural resources (prehistoric and historic resources).
* Potential impacts from increased drilling related traffic on Federal and State highways and increased public access to the area.
* Potential social and economic affects to the local communities (increased Federal, State, and local revenues).
* Potential impacts to surface and groundwater resources.
* Potential impacts to air quality and air quality related values of the Bridger-Teton and Fitzpatrick Wilderness Areas.
* Potential impacts on wetlands, floodplains, and/or riparian areas.
* Potential impacts on paleontology.
* Potential impacts from hazardous substances.
* Potential impacts to visual resources (e.g., conformance with visual resource management classifications; potential impacts from development on the natural landscape).
* Potential impacts to current land use (industrialization).
* Revegetation and restoration of short-term disturbances and long-term stabilization, and control of noxious weeds.
* Potential impacts to human health and safety.
* Potential impacts to domestic animal health and safety.
* Potential cumulative impacts from the development when added to other energy-related activities ongoing or planned in the vicinity of the project.
* Split-estate concerns.
* Potential impacts to the National Historic Trail System.
* Potential impacts to sites sensitive to American Indians.

Opportunities that may be derived from the natural gas development include: increased royalties and tax revenues to local, State and Federal Governments; added employment and economic benefits to communities near the natural gas field; increase in Wyoming's share of new and existing markets; and development of natural gas to assist in the attainment of clean air in conformance with Presidential and Congressional direction.

Dated: July 8, 1998.

Alan L. Kesterke,

Associate State Director.

[FR Doc. 98–18671 Filed 7–13–98; 8:45 am]

BILLING CODE 4310–22–M

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[CO–930–4214–010; COC–61331]

Proposed Withdrawal; Opportunity for Public Meeting; Colorado; Correction

AGENCY: Bureau of Land Management, Interior.

ACTION: Correction.

SUMMARY: This action corrects Notice of Proposed Withdrawal, 62 FR66663–66664, published December 19, 1997, as FR Doc. 97–33135.

On Page 66663, third column, under T. 44 N., R. 8 W., which reads ''Sec. 35, E½'' is hereby corrected to read ''Sec. 36, E½.''

Jenny L. Saunders,

Realty Officer.

[FR Doc. 98–18700 Filed 7–13–98; 8:45 am]

BILLING CODE 4310–JB–M

DEPARTMENT OF THE INTERIOR

National Park Service

National Register of Historic Places; Notification of Pending Nominations

Nominations for the following properties being considered for listing in the National Register were received by the National Park Service before July 3, 1998. Pursuant to section 60.13 of 36 CFR Part 60 written comments concerning the significance of these properties under the National Register criteria for evaluation may be forwarded to the National Register, National Park Service, 1849 C St. NW, NC400, Washington, DC 20240. Written comments should be submitted by July 29, 1998.

Carol D. Shull,

Keeper of the National Register.

ARKANSAS

Arkansas County

DeWitt Post Office (Post Offices with Section Art in Arkansas MPS), 221 W. Cross St., DeWitt, 98000915

Carroll County

Berryville Post Office (Post Offices with Section Art in Arkansas MPS), 101 E. Madison Ave., Berryville, 98000922

Chicot County

Lake Village Post Office (Post Offices with Section Art in Arkansas MPS), 206 S. Cokley St., Lake Village, 98000916

Clay County

Piggott Post Office (Post Offices with Section Art in Arkansas MPS), 119 N. Third St., Piggott, 98000917

Conway County

Morrilton Post Office (Post Offices with Section Art in Arkansas MPS), 117 N. Division St., Morrilton, 98000921

Crawford County

Van Buren Post Office (Post Offices with Section Art in Arkansas MPS), 22 S. Seventh St., Van Buren, 98000918

Cross County

Wynne Post Office (Post Offices with Section Art in Arkansas MPS), 402 E. Merriman Ave., Wynne, 98000914

Drew County

Monticello Post Office (Post Offices with Section Art in Arkansas MPS), 211 W. Gaines St., Monticello, 98000920

Faulkner County

Hiegel, Michael M., House, 504 Second St., Conway, 98000912

Howard County

Nashville Post Office (Post Offices with Section Art in Arkansas MPS), 220 N. Main St., Nashville, 98000913

Logan County

Paris Post Office (Post Offices with Section Art in Arkansas MPS), 206 N. Elm St., Paris, 98000923

Ouachita County

Clifton and Greening Streets Historic District, Roughly bounded by Clifton, and Greening Sts., and Dallas, and Cleveland Aves., Camden, 98000911

Yell County

Dardanelle Agriculture and Post Office (Post Offices with Section Art in Arkansas MPS), 103 N. Front St., Dardanelle, 98000919

FLORIDA

Gulf County

St. Joseph Catholic Mission Church, 216 8th St., Port St. Joe, 98000924

Indian River County

Royal Park Arcade, 1059 21st St., Vero Beach, 98000925

Jefferson County

Lloyd Woman's Club (Clubhouses of Florida's Woman's Clubs MPS), Bond St., Lloyd, 98000926

Polk County

Woman's Club of Winter Haven (Clubhouses of Florida's Woman's Clubs MPS), 660 Pope Ave., NW, Winter Haven, 98000927

GEORGIA

Sumter County

New Corinth Baptist Church, 1178 Hooks Mill Rd., Americus vicinity, 98000928

IOWA

Harrison County

Murray General Merchandise Store, Jct. of Mulberry and Second Sts., Little Sioux, 98000930

Woodbury County

Bailey, George A. and Mary Tinkel, House, 423 10th St., Correctionville, 98000929

KENTUCKY

Ballard County

Juett, Dr. David Polk, Farmstead (Caught in the Middle; the Civil War on the Lower Ohio River MPS), Blandville-Hinkleville Rd., Blandville vicinity, 98000936

Boyle County

Dutch Barn (Caught in the Middle; the Civil War on the Lower Ohio River MPS), Jct. of Spears Ln., and KY33, E of Shakertown Rd., Danville vicinity, 98000941.

Hankla—Walker House (Boyle MPS),

0.3 mi. NW of KY 1920, 0.6 mi. S of Whites Rd., Perryville vicinity, 98000931

Harrodsburg Pike Rural Historic District (Caught in the Middle; the Civil War on the Lower Ohio River MPS), W side of US 127, from County Line S 3.25 mi., Danville vicinity, 98000942

Butler County

Carson's Landing, 1086 Annis Ferry Rd., Morgantown vicinity, 98000935

Crittenden County

Weston Bluff Skirmish Site Caught in the Middle; the Civil War on the Lower Ohio River MPS), Along Ohio R., N of Weston, Weston, 98000937

Fayette County

Douglass School, 465 Price Rd., Lexington, 98000933

Hopkins County

Dawson Springs Historic District (Boundary Increase) (Hopkins County MPS), Roughly bounded by Keigan St., Water St., Arcadia Ave., Hunter St., and Sycamore St., Dawson Springs, 98000934

Livingston County

Fort Star (Caught in the Middle; the Civil War on the Lower Ohio River MPS), 0.3 mi. S of Smithland, Smithland, 98000938

Masonic Hall—Federal Commissary Building (Caught in the Middle; the Civil War on the Lower Ohio River MPS), Jct. of Main and Charlotte Sts., Smithland vicinity, 98000939

McCracken County

Tilghman—Woolfolk House (Caught in the Middle; the Civil War on the Lower Ohio River MPS), 631 Kentucky Ave., Paducah, 98000940

Metcalfe County

Sulphur Well Historic District, Roughly by Wister Wallace Rd., S fork of the Little Barren R., Mitchell-Edwards Rd., and KY 70, Sulphur Well, 98000932

MARYLAND

Frederick County

Grossnickel, Peter of P., Farm, 11720 Wolfsville Rd., Myersville, 98000944

MISSOURI

St. Francois County

McCormick, James Robinson, House, 324 W. Columbia St., Farmington, 98000945

MONTANA

Fallon County

Fallon County Jail, 723 S. Main, Baker, 98000946

NEW YORK

Delaware County

St. Peter's Episcopal Church Complex, Jct. of Pine and Church Sts., Hobart, 98000948

NORTH CAROLINA

Wake County

Wendell Commercial Historic District (Wake County MPS), Roughly along jct. of Main St. and Third St., Wendell, 98000947

OREGON

Jackson County

Medford Downtown Historic District, Roughly between Fourth and Ninth Sts., Oakdale and Riverside Aves., Medford, 98000949

Multnomah County

Hryszko Brothers Building (Eliot Neighborhood MPS), 836 N. Russell St., Portland, 98000950

South Portland Historic District, Roughly bounded by Arthur, Front, Grover, Hood, and Curry Sts., and Barbur Blvd., Portland, 98000951

Polk County

Wilson, A.K., Building, 887 Main St., Dallas, 98000952

PENNSYLVANIA

Allegheny County

Homestead Battle Site, S side of Monongahela R., NE of Homestead, Munhall Borough, 98000953

TENNESSEE

Franklin County

Shook—Vanzant Farm (Historic Family Homes of Middle Tennessee MPS), 210 Moore Farm Rd., Winchester vicinity, 98000954

TEXAS

Travis County

University Baptist Church, 2130 Guadalupe St., Austin, 98000955

A Correction is hereby made for the following resource:

Corrected Information

MASSACHUSETTS

Suffolk County

Revere Beach Reservation Historic District, Roughly bounded by Eliot Circle, Revere Beach Blvd., Northern Circle, and Atlantic Ocean, Revere, 98000871

[FR Doc. 98–18665 Filed 7–13–98; 8:45 am]

BILLING CODE 4310–70–P

DEPARTMENT OF THE INTERIOR

National Park Service

Notice of Intent to Repatriate Cultural Items From Mississippi in the Possession of the Department of Sociology and Anthropology, University of Mississippi, Oxford, MS

AGENCY: National Park Service

ACTION: Notice

Notice is hereby given under the Native American Graves Protection and Repatriation Act, 43 CFR 10.10 (a)(3), of the intent to repatriate cultural items in the possession of the Department of Sociology and Anthropology, University of Mississippi which meet the definition of ''unassociated funerary objects'' under Section 2 of the Act.

The cultural items consist of an 1801 Jefferson Peace Medal; a piece of cane showing copper staining; two metal knives with bone handles; 1,305 glass beads; a small brass kettle; an open-work silver buckle; ten circular silver brooches or ornaments, one engraved with the mark ''T.Dowler''; four silver ornament fragments; four silver bracelets; one silver crescent gorget; six brass screw rings; two silver ear pendants with red beads; ear pendant fragments; and a silver band.

In 1917, these cultural items were removed from a grave located southwest of New Albany, MS by Mr. Will Ticer. Mr. Ticer donated these items to the Mississippi State Geological Survey in 1923. The Geological Survey Collection eventually became part of the Anthropology Museum collections at the University of Mississippi.

Based on the cultural items, the burial from which they were removed has been determined to be Native American. The prescence of the 1801 Jefferson Peace Medal indicates the burial dates to the first quarter of the nineteenth century, before Removal. This area of northeastern Mississippi from which the cultural items were recovered during this period was occupied and controlled by the present day tribe now known as the Chickasaw Nation. These cultural items are consistent with present burial practices and ethnographic accounts detailing historic-period Chickasaw burial practices.

Officials of the Department of Sociology and Anthropology, University of Mississippi have determined that, pursuant to 43 CFR 10.2 (d)(2)(ii), these 1,340 cultural items are reasonably believed to have been placed with or near individual human remains at the time of death or later as part of the death rite or ceremony and are believed, by a preponderance of the evidence, to have been removed from a specific burial site of an Native American individual. Officials of the Department of Sociology and Anthropology, University of Mississippi have also determined that, pursuant to 43 CFR 10.2 (e), there is a relationship of shared group identity which can be reasonably traced between these items and the Chickasaw Nation.

This notice has been sent to officials of the Chickasaw Nation. Representatives of any other Indian tribe that believes itself to be culturally affiliated with these objects should contact Jay Johnson, Department of Sociology and Anthropology, University of Mississippi, Oxford, MS 38677 telephone (601) 232-7339 before August 13, 1998. Repatriation of these objects to the Chickasaw Nation may begin after that date if no additional claimants come forward.

Dated: June 29, 1998.

Francis P. McManamon,

Departmental Consulting Archeologist, Manager, Archeology and Ethnography.

[FR Doc. 98–18624 Filed 7–13–98; 8:45 am]

BILLING CODE 4310–70–F

DEPARTMENT OF THE INTERIOR

National Park Service

Notice of Intent to Repatriate Cultural Items From Taunton, MA in the Possession of the Robbins Museum of Archaeology, Middleboro, MA

AGENCY: National Park Service

ACTION: Notice

Notice is hereby given under the Native American Graves Protection and Repatriation Act, 43 CFR 10.10 (a)(3), of the intent to repatriate cultural items from Taunton, MA in the possession of the Robbins Museum of Archaeology, Middleboro, MA which meet the definition of ''unassociated funerary objects'' under Section 2 of the Act.

The cultural items consist of a small castellated pot and a copper or brass sheet metal spoon.

In 1952, Maurice Robbins removed these cultural items from a burial at the Wampanucket site, Taunton and Lakeville, MA. In 1985, Mr. Robbins donated these items to the Robbins Museum of Archaeology.

Based on continuities of material culture and manner of interments, the Wampanucket site has been identified as a Wampanoag cemetery area used from the early Woodland period into the early postcontact period. Consultation with representatives of the Wampanoag Repatriation Confederacy indicate these cultural items are consistent with traditional Wampanoag burial practices.

Officials of the Robbins Museum of Archaeology have determined that, pursuant to 43 CFR 10.2 (d)(2)(ii), these two cultural items are reasonably believed to have been placed with or near individual human remains at the time of death or later as part of the death rite or ceremony and are believed, by a preponderance of the evidence, to have been removed from a specific burial site of an Native American individual. Officials of the Robbins Museum of Archaeology have also determined that, pursuant to 43 CFR 10.2 (e), there is a relationship of shared group identity which can be reasonably traced between these items and the Wampanoag Repatriation Confederacy on behalf of the Wampanoag Tribe of Gay Head (Aquinnah).

This notice has been sent to officials of the Wampanoag Repatriation Confederacy on behalf of the Wampanoag Tribe of Gay Head (Aquinnah). Representatives of any other Indian tribe that believes itself to be culturally affiliated with these objects should contact John Pretola, c/o Robbins Museum of Archaeology, P.O. Box 700, Middleboro, MA 2346099005; telephone (508) 947099005 before August 13, 1998. Repatriation of these objects to the Wampanoag Repatriation Confederacy on behalf of the Wampanoag Tribe of Gay Head (Aquinnah) may begin after that date if no additional claimants come forward.

Dated: July 8, 1998.

Veletta Canouts,

Acting Departmental Consulting Archeologist,

Deputy Manager, Archeology and Ethnography Program.

[FR Doc. 98–18689 Filed 7–13–98; 8:45 am]

BILLING CODE 4310–70–F

DEPARTMENT OF THE INTERIOR

National Park Service

Notice of Intent to Repatriate Cultural Items from San Diego County, CA in the Possession of the San Diego Historical Society, San Diego, CA

AGENCY: National Park Service

ACTION: Notice

Notice is hereby given under the Native American Graves Protection and Repatriation Act, 43 CFR 10.10 (a)(3), of the intent to repatriate cultural items from San Diego County, CA in the possession of the San Diego Historical Society, San Diego, CA which meet the definition of ''sacred object'' under Section 2 of the Act.

The seven cultural items consist of one clay tube pipe (San Diego County Indian type), one dark brown ceramic pipe (San Diego County Indian type), one ceramic tube pipe (San Diego County Indian type), one ceramic ''elbow'' pipe (Sand Diego County Indian type), three steatite tube pipes, and one healing tube (San Diego Indian type).

In 1945, a healing tube was donated to the San Diego Historical Society by (?) Kimball. At an unknown date, the ceramic tube pipe was made by Julio Artega, and there is no other accession information. At an unknown date, three steatite tube pipes were found at Potrero, and there is no other accession information, but are noted in museum records as ''Chumash'' pipes. At an unknown date, a dark brown ceramic pipe was donated to the San Diego Historical Society. At an unknown date, a gray clay ''elbow'' pipe was donated to the San Diego Historical Society.

Although museum records state three of these cultural items are Chumash in origin, representatives of the Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation state that the appearance of all of these cultural items

appear to be of a Luiseno style, and have presented additional anthropological sources on Southern Californian Indian material culture. The Potrero site is a known sacred and ceremonial site used by the Pechanga Band, and the San Diego Historical Society has concluded the pipes from the Potrero site were mis-identified as Chumash and are of Luiseno or Pechanga origin. Consultation with representatives of the Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation also indicates these items are needed by traditional religious leaders for the practice of traditional Native American religion by present-day adherents.

Officials of the San Diego Historical Society have determined that, pursuant to 43 CFR 10.2 (d)(3), these seven cultural items are specific ceremonial objects needed by traditional Native American religious leaders for the practice of traditional Native American religions by their present-day adherents. Officials of the San Diego Historical Society have also determined that, pursuant to 43 CFR 10.2 (e), there is a relationship of shared group identity which can be reasonably traced between these items and the Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation.

This notice has been sent to officials of the Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation, Barona Group of the Capitan Grande Band of Mission Indians, Campo Band of Mission Indians, Capitan Grande Band of Mission Indians, Cuapaipe Band of Mission Indians, Inaja Band of Mission Indians, Jamul Band of Mission Indians, La Jolla Band of Mission Indians, La Posta Band of Mission Indians, Los Coyotes Band of Mission Indians, Manzanita Band of Mission Indians, Mesa Grande Band of Mission Indians, Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation, Pauma Band of Mission Indians, Rincon Band of Mission Indians, San Pasqual Band of Mission Indians, Santa Ysabel Band of Mission Indians, Sycuan Band of Mission Indians, and Viejas Band of Mission Indians. Representatives of any other Indian tribe that believes itself to be culturally affiliated with these objects should contact Tammie Bennett, Registrar, San Diego Historical Society, P. O. Box 81825, San Diego, CA 92138; telephone (619) 232–6203, ext. 120, fax (619) 232–6297 before August 13, 1998. Repatriation of these objects to the Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation may begin after that date if no additional claimants come forward.

The National Park Service is not responsible for the determinations within this notice.

Dated: June 29, 1998.

Francis P. McManamon,

Departmental Consulting Archeologist, Manager, Archeology and Ethnography Program.

[FR Doc. 98–18623 Filed 7–13–98; 8:45 am]

BILLING CODE 4310–70–F

UNITED STATES INTERNATIONAL TRADE COMMISSION

Sunshine Act Meeting

TIME AND DATE: July 24, 1998 at 11:00 a.m.

PLACE: Room 101, 500 E Street S.W., Washington, DC 20436.

STATUS: Open to the public.

MATTERS TO BE CONSIDERED:

1. Agenda for future meeting: none.
2. Minutes.
3. Ratification List.
4. Inv. Nos. 701–TA–380–382 and 731–TA–797–804 (Preliminary) (Stainless Steel Sheet and Strip from France, Germany, Italy, Japan, the Republic of Korea, Mexico, Taiwan, and the United Kingdom)—briefing and vote.
5. Inv. Nos. 751–TA–17–20 (Titanium Sponge from Japan, Kazakstan, Russia, and Ukraine)—briefing and vote.
6. Outstanding action jackets: none.

The Commission has postponed the briefing and vote on Titanium Sponge from July 10, 1998. In accordance with Commission policy, subject matter listed above, not disposed of at the scheduled meeting, may be carried over to the agenda of the following meeting.

Issued: July 9, 1998.

By order of the Commission:

Donna R. Koehnke,

Secretary.

[FR Doc. 98–18840 Filed 7–10–98; 12:02 pm]

BILLING CODE 7020–02–P

DEPARTMENT OF LABOR

Occupational Safety and Health Administration

[Docket No. ICR–98–12]

Construction Posting Requirements—Emergency Numbers and Floor Load Limits; Information Collection Requirements

AGENCY: Occupational Safety and Health Administration, Labor.

ACTION: Notice; opportunity for public comment.

SUMMARY: The Department of Labor, as part of its continuing effort to reduce paperwork and information collection burdens, is conducting a preclearance consultation program to provide the general public and Federal agencies with an opportunity to comment on both current and proposed collections of information in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3506(c)(2)(A)). This program helps to ensure that reporting burden (time and financial resources) is minimized, collection materials are clearly understood, impact of collection requirements on respondents can be accurately assessed, and requested data can be provided in the desired format. Currently, the Occupational Safety and Health Administration is soliciting comments concerning the collection of information requirements in § 1926.50(f) and § 1926.250(a)(2).

The Agency is particularly interested in comments that:

- Evaluate whether the proposed collection of information is necessary for the proper performance of OSHA's responsibilities, including whether the information will have practical utility;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology (for example, permitting electronic submissions of responses).

DATES: Written Comments must be submitted on or before September 14, 1998.

ADDRESSES: Comments are to be submitted to the Docket Office, Docket ICR–98–12, U.S. Department of Labor, Room N–2625, 200 Constitution Avenue, NW, Washington, DC 20210, (202) 219–7894. Written comments limited to 10 pages or less may be transmitted by facsimile to (202) 219–5046.

FOR FURTHER INFORMATION CONTACT: Mr. Laurence Davey, Directorate of Construction, Occupational Safety and Health Administration, U.S. Department of Labor, Room N3621, 200 Constitution Avenue, NW., Washington, DC 20210,

(202) 219–7207. Copies of the information collection requests are available for inspection and copying in the Docket Office and will be mailed to persons who request copies by telephoning Mr. Davey at (202) 219–7207 or Barbara Bielaski at (202) 219–8076. For electronic copies of the information collection request, contact OSHA's Web Page on the Internet at http://www.osha-slc.gov (click on *Information Collection Requests*).

SUPPLEMENTARY INFORMATION:

Background

The Occupational Safety and Health Administration (OSHA) currently has approval from the Office of Management and Budget (OMB) for the information collection (posting) requirements contained in 29 CFR 1926.50(f) and 1926.250(a)(2). That approval will expire on September 30, 1998, unless OSHA applies for an extension of the OMB approvals. This notice initiates the process for OSHA to request an extension of the current OMB approval.

Currently, section 1926.50(f) requires that telephone number of physicians, hospitals, or ambulances are to be conspicuously posted. However, on June 18, 1998, at 63 FR 33469, OSHA published a final rule amending this standard to totally eliminate the requirement to post the 911 number in areas where that service is available. Following the effective date, August 17, 1998, telephone numbers of physicians, hospitals, or ambulances need only be posted in areas where 911 is not available. Since construction work is hazardous at times and the injury and severity rates are high in spite of efforts to abate identifiable hazards, there is a need to obtain medical attention or provide ambulance and hospital service as expeditiously as possible. It is therefore necessary to require that the phone numbers be conspicuously posted on construction job sites. Section 1926.250(a)(2) requires that the maximum safe load limits of floors within buildings and structures, in pounds per square foot, must be posted in all storage areas, except for floor or slab on grade. During construction of certain multi-story buildings or structures, it is necessary to store materials on elevated floors. To make sure the floors is not overloaded, OSHA requires the load limits to be posted in the storage area in pounds per square foot. This should eliminate the hazard of building collapse due to overloading.

Current Action

This notice requests public comment on OSHA's burden hour estimates prior to OSHA seeking Office on Management and Budget (OMB) approval of the information collection (posting) requirements in 29 CFR 1926.50(f) and 1926.250(a)(2).

Type of Review: Revision.

Agency: Occupational Safety and Health Administration, U.S. Department of Labor.

Title: Construction Posting Requirements—Emergency Phone Numbers and Floor Load Limits.

OMB Number: 1218–0093.

Agency Number: Docket No. ICR–98–12.

Frequency: Once.

Affected Public: Business or other For-profit.

Number of Respondents: 187,562.

Estimated Time Per Respondent: § 1926.50(f): 2 minutes; § 1926.250(a)(2): 5 minutes.

Total Burden Hours: 5,555 hours.

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

Signed this 7th day of July 1998.

Charles N. Jeffress,

Assistant Secretary of Labor.

[FR Doc. 98–18709 Filed 7–13–98; 8:45 am]

BILLING CODE 4510–26–M

NATIONAL GAMBLING IMPACT STUDY COMMISSION

Meeting

AGENCY: National Gambling Impact Study Commission.

ACTION: Notice of public meeting.

SUMMARY: At its fourth on-site meeting the National Gambling Impact Study Commission, established under Public Law 104–169, dated August 3, 1996, will hear presentations from invited panels of speakers, receive public comment, and conduct its normal meeting business.

DATES: Wednesday, July 29, 1998, 8:00 a.m. to 3:45 p.m.

ADDRESSES: The meeting site will be: San Diego/Del Mar Hilton, 15575 Jimmy Durante Blvd., Del Mar, CA 92014.

DATES: Thursday, July 30, 1998, 8:00 a.m. to 5:00 p.m.

ADDRESSES: The meeting site will be: The Buttes, Wyndham Resort, 2000 Westcourt Way, Tempe, AZ 85282.

Written comments can be sent to the Commission at 800 North Capitol Street, N.W., Suite 450, Washington, D.C. 20002.

STATUS: The meeting will be open to the public both days. However, the Commission will enter executive session during its lunch period from 1:15 p.m. to 2:15 p.m. on Wednesday, July 29.

CONTACT PERSONS: For further information contact Amy Ricketts at (202) 523–8217 or write to 800 North Capitol St., N.W., Suite 450, Washington, D.C. 20002.

SUPPLEMENTARY INFORMATION: The meeting will take place over a two-day period in two separate locations, Del Mar, California on July 29, and Tempe, Arizona on July 30. The meeting agenda will include presentations from State and Local Officials and Tribal Leaders; staff briefings on Pari-mutuels and Native American gambling; testimony from invited panels of speakers on Pari-mutuels, and Native American gambling; normal meeting business; executive session; and an open forum period for public comment at both venues.

An open forum for public participation will be held both days on issues relevant to the Commission's work. On July 29 in Del Mar, it will be held from 2:55 p.m. to 3:40 p.m. On July 30 in Tempe, it will be held from 12:04 p.m. to 12:55 p.m. Anyone wishing to make an oral presentation at either location must contact Mr. Steve White by telephone only at (202) 523–8217 no later than 5:00 p.m. July 24, 1998. No requests will be accepted before 9:00 a.m. Pacific time, or 12:00 p.m. (EST), the day this notice appears in the **Federal Register**.

Callers must specify which day they wish to speak. Callers will then be asked to provide name, organization (if applicable), address, and daytime telephone number. Call-backs from staff may be required. No requests will be accepted via mail, facsimile, e-mail, or voice mail. A waiting list will be compiled once the allotted number of slots becomes filled. Oral presentations will be limited to three (3) minutes per speaker. If this is not enough time to complete comments, please restrict to three minutes a summary of your comments and bring a typed copy of full comments to file with the Commission. Persons speaking at a forum are requested, but not required, to supply twenty (20) copies of their written statements to the registration desk prior to the public comment period. Members of the public, on the waiting list or otherwise, are always invited to send written comments to the Commission at any time. However, if individuals wish to have their written comments placed into the official record of the meeting, the Commission must receive them by August 19, 1998. Each speaker is kindly

asked to be prepared prior to their presentation; to refrain from any use of profanity, vulgar language, or obscene signage; to refrain from making any comments or disrupting sounds during the presentation of another speaker; and to remain seated. If visual aids are necessary during the course of a speaker's presentation, each speaker is responsible for providing the equipment to run the visual aid. A complete list of guidelines is available on the Commission's web site: *www.ngisc.gov*.

Tim Bidwill,

Special Assistant to the Chairman.

[FR Doc. 98–18705 Filed 7–13–98; 8:45 am]

BILLING CODE 6802–ET–M

NATIONAL TRANSPORTATION SAFETY BOARD

Agenda; Sunshine Act Meeting

TIME AND DATE: 9:30 a.m., Tuesday, July 21, 1998.

PLACE: NTSB Board Room, 5th floor, 490 L'Enfant Plaza, SW., Washington, DC 20594.

STATUS: Open.

MATTERS TO BE CONSIDERED:

7036 Safety Study: Safety at Passive Grade Crossings.

6800B Aviation Accident Report: In-Flight Fire/Emergency Landing, Federal Expression Flight 1406, Stewart International Airport, Newburgh, New York, September 5, 1996.

6809A Pipeline Accident Summary Report: Natural Gas Pipeline Rupture and Fire during Dredging, Tiger Pass, Louisiana, October 23, 1996.

NEWS MEDIA CONTACT: Telephone: (202) 314–6100.

FOR MORE INFORMATION CONTACT: Rhonda Underwood (202) 314–6065.

Rhonda Underwood,

Federal Register Liaison Officer.

[FR Doc. 98–18873 Filed 7–10–98; 2:49 pm]

BILLING CODE 7533–01–M

NEIGHBORHOOD REINVESTMENT CORPORATION

Sunshine Act Meeting; Regular Board Meeting, of the Board of Directors

TIME & DATE: 2:00 P.M., Friday, July 24, 1998.

PLACE: Neighborhood Reinvestment Corporation, 1325 G Street, NW, Suite 800, Board Room, Washington, DC 20005.

STATUS: Open.

CONTACT PERSON FOR MORE INFORMATION: Jeffrey T. Bryson, General Counsel/Secretary 202/376–2441.

AGENDA:

I. Call to Order

II. Approval of Minutes: May 29, 1998 20th Annual Meeting

III. Budget Committee Report July 20, 1998 Meeting

a. Proposed FY 1998 Budget Reallocation

b. Proposed FY 1999 Budget Request

c. Proposed FY 2000 Budget Submission to OMB

IV. Treasurer's Report

V. Executive Director's Quarterly Management Report

VI. Adjourn

Jeffrey T. Bryson,

General Counsel/Secretary.

[FR Doc. 98–18850 Filed 7–10–98; 12:30 pm]

BILLING CODE 7570–01–M

NUCLEAR REGULATORY COMMISSION

[Docket Nos 50–269, 50–270, and 50–287]

Duke Power Corp. (Oconee Nuclear Station, Units 1, 2, and 3); Notice of Receipt of Application for Renewal of Facility Operating Licenses Nos. DPR–38, DPR–47, and DPR–55 for an Additional 20 Year Period

The Nuclear Regulatory Commission has received an application from the Duke Power Corporation dated July 6, 1998, filed pursuant to Section 104b of the Atomic Energy Act of 1954, as amended, and 10 CFR part 54 for renewal of operating licenses DPR–38, DPR–47, and DPR–55, which authorize the applicant to operate its Oconee Nuclear Station (ONS) Units 1, 2, and 3. The current operating licenses for the ONS Units 1, 2, and 3 expire on February 6, 2013, October 6, 2013, and July 19, 2014, respectively. The ONS Units are pressurized water reactors designed by Babcock and Wilcox. The ONS Units 1, 2, and 3 are located in Oconee County, South Carolina. The acceptability of the tendered application for docketing and other matters, including an opportunity to request a hearing, will be the subject of a subsequent **Federal Register** Notice.

A copy of the application is available for public inspection at the Commission's Public Document Room, 2120 L Street, N.W., Washington, D.C. 20037, and the Local Public Document Room for the ONS Units 1, 2, and 3 located in the Oconee County Library, 501 West South Broad Street, Walhalla, SC 29691.

Dated at Rockville, Maryland, this 8th day of July 1998.

For the Nuclear Regulatory Commission.

Christopher I. Grimes,

Director, License Renewal Project Directorate, Division of Reactor Program Management, Office of Nuclear Reactor Regulation.

[FR Doc. 98–18686 Filed 7–13–98; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

Post-Fire Safe Shutdown Circuit Analysis Workshop

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of meeting.

SUMMARY: The Nuclear Regulatory Commission staff is holding a workshop to discuss with the nuclear industry and the public the status of post-fire safe shutdown circuit analysis and the implementation of circuit analysis results at commercial nuclear reactors. A summary of the questions and comments discussed at the workshop on post-fire safe shutdown circuit analysis and of staff follow up plans and actions will be generated by the staff and distributed to the registered participants after the workshop.

DATES: July 23, 1998, from 8:00 a.m.—5:00 p.m.

ADDRESSES: Bethesda Marriott, 5151 Pookshill Road, Bethesda, MD 20814.

FOR FURTHER INFORMATION CONTACT: Leon E. Whitney, Mail Stop O–8–D1, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001. Telephone (301) 415–3081; Internet: LEW1@NRC.GOV.

SUPPLEMENTARY INFORMATION: The preliminary agenda for the proposed workshop is:

7:30–8:00
Registration/Acceptance of Papers/Input from Industry and Public/Handout of Agenda

8:00–8:10
Introduction/Presentation of Agenda—Tad Marsh, Chief, Plant Systems Branch, NRR

8:10–8:20
Discussion of Workshop Purpose—Brian Sheron, Acting Associate Director for Technical Review

8:20–8:25
Introductory Remarks by a Public Representative

8:30–8:30
Introductory Remarks by an Industry Representative

8:30–9:00
NRC Presentation of U.S. Commercial Nuclear Reactor Plant Post-fire Safe Shutdown Circuit Analysis History

and Safety Significance. NRC Discussion of the Potential Severity of Fire-induced Reactor Plant Transients—NRR/SPLB, BNL

9:00–9:15

Summary of Industry Views of the Regulatory History of the Post-fire Safe Shutdown Circuit Analysis Issues—NEI

9:15–9:30

NRC Presentation of Post-fire Safe Shutdown Circuit Analysis Issues as Recently Identified through Inspection, Licensing and Event Experience—NRR/SPLB

Break

9:45–11:00

Industry and Public Presentations on Selected Technical Topics (five, 15 minute talks)

11:00–12:00

Public/Industry/NRC Panel Discussion on the Technical Issues Addressed in Information Notice 92–18 on ''MOV Hot Shorts''.

12:00–1:30

Lunch Break

1:30–2:30

Public/Industry/NRC Panel Discussion on Circuit Analysis Fault Terminology, and the Types of Assumptions Necessary Regarding Multiple Spurious Electrical Faults, Signals and/or Actuations in a Single Fire.

2:30–3:30

Public/Industry/NRC Panel Discussion of the Scope of Necessary Post-fire Safe Shutdown Circuit Analyses and Resultant Plant Modifications—Likelihood and Consequences of Circuit Damage Which Affects Post-fire Safe Shutdown Capability.

Break

3:45–4:45

Question and Answer Session (NRC, public and industry representatives on the dais).

4:45–4:50

Public Closing Remarks

4:50–4:55

Industry Closing Remarks

4:55–5:00

NRC Closing Remarks

Individuals wishing to make a presentation at the workshop should contact Leon Whitney directly. Individuals who wish to attend the workshop are encouraged to notify Leon E. Whitney at (301) 415–3081; Internet: LEW1@NRC.GOV of their planned attendance.

Dated at Rockville, Maryland this 8th day of July, 1998.

For the Nuclear Regulatory Commission.

K. Steven West,

Acting Chief, Plant Systems Branch, Division of System Safety and Analysis, Office of Nuclear Regulatory Regulation.

[FR Doc. 98–18685 Filed 7–13–98; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

Advisory Committee on Reactor Safeguards Subcommittee Meeting on Safety Research Program

The ACRS Subcommittee on Safety Research Program will hold a meeting on July 17, 1998, Room T–2B3, 11545 Rockville Pike, Rockville, Maryland.

The entire meeting will be open to public attendance.

The agenda for the subject meeting shall be as follows:

Friday, July 17, 1998—1:00 p.m. until the conclusion of business.

The Subcommittee will discuss the comments and recommendations included in the June 16, 1998 ACRS report regarding ''Core Research Capabilities'' and the associated response from the NRC Office of Nuclear Regulatory Research.

Oral statements may be presented by members of the public with the concurrence of the Subcommittee Chairman; written statements will be accepted and made available to the Committee. Electronic recordings will be permitted only during those portions of the meeting that are open to the public, and questions may be asked only by members of the Subcommittee, its consultants, and staff. Persons desiring to make oral statements should notify the cognizant ACRS staff engineer named below five days prior to the meeting, if possible, so that appropriate arrangements can be made.

During the initial portion of the meeting, the Subcommittee, along with any of its consultants who may be present, may exchange preliminary views regarding matters to be considered during the balance of the meeting.

Further information regarding topics to be discussed, whether the meeting has been canceled or rescheduled, the Chairman's ruling on requests for the opportunity to present oral statements and the time allotted therefor can be obtained by contacting the cognizant ACRS staff engineer, Mr. Amarjit Singh (telephone 301/415–6899) between 7:30 a.m. and 4:15 p.m. (EDT). Persons planning to attend this meeting are urged to contact the above named individual one or two working days prior to the meeting to be advised of any potential changes in the proposed agenda, etc., that may have occurred.

Dated: July 8, 1998.

Sam Duraiswamy,

Chief, Nuclear Reactors Branch.

[FR Doc. 98–18683 Filed 7–13–98; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

Sunshine Federal Register Notice

AGENCY HOLDING THE MEETING: Nuclear Regulatory Commission.

DATE: Weeks of July 13, 20, 27, and August 3, 1998.

PLACE: Commissioners' Conference Room, 11555 Rockville Pike, Rockville, Maryland.

STATUS: Public and Closed.

MATTERS TO BE CONSIDERED:

Week of July 13

Friday, July 17

9:30 a.m. Public Meeting on Stakeholders' Concerns (Public Meeting) (Contact: Annette Vietti-Cook, 301–415–1969)

11:30 a.m. Affirmation Session (Public Meeting)* (Please Note: This item will be affirmed immediately following the conclusion of the preceding meeting.)

a: Qivera Mining Company—Commission Review of LBP–97–20

Week of July 20—Tentative

Tuesday, July 21

1:30 p.m. Meeting with Advisory Committee on Nuclear Waste (ACNW) (Public Meeting) (Contact: John Larkins, 301–415–7360)

3:00 p.m. Affirmation Session (Public Meeting) (if needed)

Week of July 27—Tentative

Wednesday, July 29

2:00 p.m. Briefing on Operating Reactors and Fuel Facilities (Public Meeting) (Contact: Glenn Tracy, 301–415–1725)

4:00 p.m. Affirmation Session (Public Meeting) (if needed)

Week of August 3—Tentative

Thursday, August 6

10:30 a.m. Briefing of Recent Research Program Results and Core Capabilities (Public Meeting) (Contact: Lloyd Donnelly, 301–415–5828)

11:30 a.m. Affirmation Session (Public Meeting) (if needed)

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* The schedule for Commission meetings is subject to change on short notice. To verify the status of meetings call (recording)—(301) 415–1292. Contact person for more information: Bill Hill (301) 414–1661.

The NRC Commission Meeting Schedule can be found on the Internet at: http://www.nrc.gov/SECY/smj/schedule.htm

* * * * *

This notice is distributed by mail to several hundred subscribers; if you no longer wish to receive it, or would like to be added to it, please contact the Office of the Secretary, Attn: Operations Branch, Washington, D.C. 20555 (301–415–1661). In addition, distribution of this meeting notice over the Internet system is available. If you are interested in receiving this Commission meeting schedule electronically, please send an electronic message to wmh@nrc.gov or dkw@nrc.gov.

* * * * *

William M. Hill. Jr.,

Secy Tracking Officer, Office of the Secretary.

[FR Doc. 98–18856 Filed 7–10–98; 2:43 pm]

BILLING CODE 7590–01–M

OFFICE OF MANAGEMENT AND BUDGET

Updated Statistical Definitions of Metropolitan Areas

AGENCY: Executive Office of the President, Office of Management and Budget, Office of Information and Regulatory Affairs.

ACTION: Notice.

SUMMARY: Pursuant to 44 U.S.C. 3504(e)(3) and 31 U.S.C. 1104(d) and Executive Order No. 10253 (June 11, 1951), the Office of Management and Budget (OMB) defines metropolitan areas (MAs) for use in Federal statistical activities in accordance with a set of standards published in the **Federal Register** on March 30, 1990 (55 FR 12154–12160).

On June 23, 1998, OMB updated the MA definitions in OMB Bulletin No. 98–06. One new Metropolitan Statistical Area (MSA) was defined based on the standards and the 1996 Bureau of the Census official population estimates. The Missoula, Montana MSA (FIPS Code 5140) was defined effective June 30, 1998. The Missoula, Montana MSA comprises Missoula County, Montana. The MSA's central city is Missoula, Montana.

OMB Bulletin No. 98–06 with the list of all MAs as of June 30, 1998, is available from the National Technical Information Service (NTIS), Document Sales, 5285 Port Royal Road, Springfield, VA 2216, telephone 703–487–4650 (Accession Number PB98-146160). This list is also available through NTIS in electronic form (Accession Number PB98–502198). OMB Bulletin No. 98–06 and the current list of MAs are available electronically from the OMB home page at http://www.whitehouse.gov/WH/EOP/omb; go to OMB Documents/Selected OMB Bulletins.

For further information on MA standards and the statistical uses of MA definitions please call Suzann Evinger (202–395–7315). For information concerning the use of MA definitions in a particular Federal agency program, please contact the sponsoring agency directly.

Donald R. Arbuckle,

Acting Administrator, Office of Information and Regulatory Affairs.

[FR Doc. 98–18641 Filed 7–13–98; 8:45 am]

BILLING CODE 3110–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–40178; File No. SR–NASD–98–45]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the National Association of Securities Dealers, Inc., Relating to Supervision of Correspondence

July 7, 1998.

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 7, 1998, the NASD Regulation, Inc. (''NASDR'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the NASDR. The NASDR has designated this proposal as one constituting a stated policy, practice, or interpretation with respect to the meaning of an existing rule under Section 19(b)(3)(A)(i) of the Act,[3] which renders the rule effective upon the Commission's receipt of this filing. 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 NASDR is proposing to further delay the effective date of one of the provisions of recently-approved amendments to the National Association of Securities Dealers, Inc. (''NASD'' or ''Association'') Rules 3010, ''Supervision,'' and 3110, ''Books and Records.''

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19B–4.

[3] 15 U.S.C. 78s(b)(3)(A)(i).

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 NASDR included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The NASDR 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

A proposed rule change to amend NASD Rules 3010 and 3110 was filed with the Commission on April 11, 1997.[4] The purpose of the amendments was to allow firms to develop flexible procedures for the review of correspondence with the public. In that filing, the NASDR stated that it would make the proposed rule change effective within 45 days of Commission approval. Amendment No. 1, containing a draft Notice to Members to be issued following approval of the proposed rule change, was filed with the Commission on December 1, 1997.[5] The Notice to Members described the new rules and provided guidance to NASD members on the implementation of the new rules. The Commission approved the proposed rule change and Amendment No. 1 to the proposed rule change on December 31, 1997.[6] Notice to Members 98–11 announced approval of the proposed rule change and stated that the amendments to Rules 3010 and 3110 would be effective on February 15, 1998.

Subsequent to approval of the proposed rule change by the SEC, several commenters filed letters with the SEC raising issues regarding Amendment No. 1 to the proposed rule change and its accompanying Notice to Members.[7] The NASDR, believing that

[4] The proposed rule change (SR–NASD–97–24) was published for comment in the **Federal Register** on May 2, 1997. *See* Securities Exchange Act Release No. 38548 (April 25, 1997) 62 FR 24147.

[5] *See* Letter from Mary N. Revell, Associate General Counsel, NASDR, to Katherine A. England, Assistant Director, Division of Market Regulation, Commission, dated December 1, 1997 (''Amendment No. 1'').

[6] *See* Securities Exchange Act Release No. 39510 (December 31, 1997) 63 FR 1131 (January 8, 1998) (''Release No. 39510'').

[7] *See* Letters from Carl B. Wilkerson, American Council of Life Insurance, to Jonathan G. Katz,

Continued

the letters raise important issues that should be fully addressed before the effectiveness of the rule change, filed a proposed rule change to postpone the effective date of the amendments to Rules 3010 and 3110 approved in Release No. 39510.[8]

The concerns raised by the commenters include issues concerning the effect of the rules on the review of incoming correspondence and the scope of the obligation of member firms to control the use of electronic communications systems that registered persons use to communicate with their customers. After considering these issues, the NASDR filed a proposed rule change to implement the amendments to Rules 3010 and 3110 approved in Release No. 39510 immediately, including the requirements set forth in Notice to Members 98–11, with the exception of the provision in the Notice stating that members must review ''all incoming correspondence received in non-electronic format directed to registered representatives and related to a member's investment banking or securities business.'' [9] The effective date of this provision was delayed until July 7, 1998 to allow NASDR a further opportunity to consider comments on this issue.

The NASDR proposes a further delay in the effective date of the provision in the Notice addressing the review of incoming, non-electronic correspondence until September 30, 1998. At its meeting on June 25, 1998, the NASDR Board of Directors approved revisions to Rule 3010 and to the Notice to Members that are intended to address the regulatory concerns necessitating the review of incoming, non-electronic correspondence and at the same time to respond to concerns raised by member firms about the difficulty of conducting such review. The NASDR Board also approved submission of a rule filing to the SEC. The NASDR anticipates that the rule filing will be submitted to the SEC prior to July 30, 1998. When that proposed rule change is filed, the NASDR will request an indefinite extension of this provision until the SEC has acted on the rule filing. In the meantime, to ensure continuity of the requirements applicable to member firms, the NASDR proposes a delay in the effective date of the provision. Prior to the September 30, 1998 effective date, however, members will be required to review and report customer complaints as required by Rule 3070(a)(2); keep and preserve all written customer complaints as required by Rule 3110(d); and establish procedures for the review of incoming and outgoing written and electronic correspondence consistent with new Rules 3010(d) (1) and (2).

2. Statutory Basis

The NASDR believes the proposed rule change is consistent with Section 15A(b)(6) of the Act,[10] which requires, among other things, that the Association's rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest. The NASD believes that delaying the effective date of one of the provisions of the new rules is consistent with these requirements.

B. Self-Regulatory Organization's Statement on Burden on Competition

The NASDR does not believe that the proposed rule change will impose a burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change constitutes a stated policy, practice, or interpretation with respect to the meaning, administration or enforcement of an existing rule of the Association and, therefore, has become effective pursuant to Section 19(b)(3)(A) of the Act [11] and subparagraph (e) of Rule 19b–4 thereunder.[12]

At any time within 60 days of the filing of such 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. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington DC 20549. Copies of the submissions, 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, 450 Fifth Street, NW, Washington DC. Copies of such filing also will be available for inspection and copying at the NASD. All submissions should refer to File No. SR–NASD–98–45 and should be submitted by August 4, 1998.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[13]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–18640 Filed 7–13–98; 8:45 am]

BILLING CODE 8010–01–M

Secretary, SEC, dated January 9, 1998; Beverly A. Byre, BenefitsCorp Equities, Inc., to Jonathan G. Katz, Secretary, SEC, dated January 26, 1998; Michael S. Martin, The Equitable Life Assurance Society of the United States, to Jonathan G. Katz, SEC, dated January 29, 1998; Janet G. McCallen, International Association for Financial Planning, to Jonathan G. Katz, Secretary, SEC, dated February 13, 1998; W. Thomas Boulter, Jefferson Pilot Financial, to Jonathan G. Katz, Secretary, SEC, dated January 28, 1998; Leonard M. Bakal, Metropolitan Life Insurance Company and MetLife Securities, Inc., to Jonathan G. Katz, Secretary, SEC, dated January 28, 1998; Michael L. Kerley, MML Investors Services, Inc. to Secretary, SEC, dated January 26, 1998; Mark D. Johnson, The National Association of Life Underwriters, to Jonathan G. Katz, Secretary, SEC, dated February 5, 1998; Theodore Mathas, NYLIFE Securities, to Jonathan G. Katz, Secretary, SEC, dated January 16, 1998 and January 29, 1998; Beverly A. Byrne, One Orchard Equities, Inc., to Jonathan G. Katz, Secretary, SEC, dated January 26, 1998; Dodie Kent, Pruco Securities Corporation, to Jonathan G. Katz, Secretary, SEC, dated January 29, 1998; and James T. Bruce, Wiley, Rein & Fielding, on behalf of the Electronic Messaging Association, to Jonathan G. Katz, SEC, dated January 30, 1998.

[8] The proposed rule change (SR–NASD–98–10) became effective on filing. *See* Securities Exchange Act Release No. 39665 (February 13, 1998) 63 FR 9032 (February 23, 1998).

[9] *See* Securities Exchange Act Release No. 39866 (April 14, 1998) 63 FR 19778 (April 21, 1998) (Notice of filing and immediate effectiveness of File No. SR–NASD–98–31).

[10] 15 U.S.C. 78o–3(b)(6).

[11] 15 U.S.C. 78s(b)(3)(A).

[12] 17 CFR 19b–4(e).

[13] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–40172; File No. SR–PCX–98–33]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Pacific Exchange, Inc. Relating to an Increase in Position and Exercise Limits for Standardized Equity Options

July 6, 1998.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Exchange Act'' or ''Act'')[1] and Rule 19b-4 thereunder,[2] notice is hereby given that on July 1, 1998, the Pacific Exchange, Inc. (''PCX'' or ''Exchange'') filed with the Securities and Exchange Commission (''Commission'' or ''SEC'') the proposed rule change as described in Items I, II and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The PCX is proposing to modify Rule 6.8 and Rule 6.9 relating to position and exercise limits. The PCX proposes to increase the position and exercise limits on standardized equity options traded on the Exchange to three times their current levels.

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 self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization 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, PCX Rule 6.8 subjects equity options to one of five different position limits depending on the trading volume and outstanding shares of the underlying security. The levels are: 4,500; 7,500; 10,500;, 20,000; and 25,000 contracts on the same side of the market. Under the proposed changes the new limits would be: 13,500; 22,500; 31,500; 60,000; and 75,000 contracts on the same side of the market. The Exchange believes that sophisticated surveillance techniques at the options exchanges adequately protect the integrity of the markets for the options that will be subject to these increased position and exercise limits. The Commission recently approved a similar request from the National Association of Securities Dealers (''NASD'') to triple the position and exercise limits for conventional equity options with new limits set at 13,500; 22,500; 31,500; 60,000; and 75,000 contracts on the same side of the market.[3]

Commentary .01 of PCX Rule 6.9 refers to the established exercise limits as 4,500; 7,500; 10,500; 20,000; and 25000 options contracts. The rule states that the exercise limits established pursuant to PCX Rule 6.9(a) shall be 4,500; 7,500; 10,500; 20,000; and 25,000 options contracts of any particular class of option and it shall be the responsibility of each Member or Member Organization accepting orders for the purchase (in opening transactions) of option contracts to inform customers of the applicable exercise limits. The PCX proposes to change the exercise limits in PCX Rule 6.9 to 13,500; 22,500; 31,500; 60,000; and 75,000 options contracts of any particular class of option.

The Exchange believes that the existing surveillance procedures and reporting requirements at options exchanges and clearing firms that have been developed over the years are able to properly identify unusual and illegal trading activity. In addition, PCX believes that routine oversight inspections of PCX's regulatory programs by the Commission have not uncovered any material inconsistencies or shortcomings in the manner in which the Exchange's market surveillance is conducted.

Position and Exercise Limits Restrict Legitimate Options Use and Competition. In the Exchange's view, equity position limits prevent large customers like mutual funds and pension funds from using options to gain meaningful exposure to individual stocks, resulting in lost liquidity in both the options market and the stock market. The Exchange further believes that equity position limits also act as a barrier to the use of options by corporations wishing to implement options strategies with their own stock.[4]

The Exchange believes that equity position limits put listed options at a competitive disadvantage of over-the-counter (''OTC'') derivatives. OTC dealers can execute options trades through overseas subsidiaries not subject to NASD regulation, and therefore not subject to position limits. As a result, the largest trades can go unobserved and unmonitored for regulatory and oversight purposes. An increase in the position limits is consistent with the Commission's reasons for the elimination of FLEX equity option position limits. The Commission recently approved the elimination of position limits for FLEX equity options stating that the elimination will allow the listed options markets to better compete with the OTC market.[5]

In addition, the Commission recently approved the NASD's proposed rule change to raise the position and exercise limit for conventional equity options (*i.e.*, those options not issued, or subject to issuance by the Options Clearing Corporation) to three times their current levels (which is the same as three times the levels established by current exchange rules for standardized options). Because conventional options often have nearly identical term as standardized, exchange-traded options, the Exchange believes the position limits for standardized options should be at least as high as those for conventional options.

2. Basis

The Exchange believes that the proposal is consistent with Section 6(b)[6] of the Act, in general, and Section 6(b)(5)[7] of the Act, in particular, in that it is designed to perfect the mechanisms of a free and open market, to promote just and equitable principles of trade, to

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b-4.

[3] *See* Exchange Act Release No. 40087 (June 12, 1998), 63 FR 33746 (June 19, 1998). The NASD's position limit filing established position and exercise limits for conventional equity options identical to those being proposed by PCX in this filing.

[4] The Commission notes that issuers would, of course, need to comply with all applicable provisions of the federal securities laws in conducting their share repurchase programs.

[5] *See* Exchange Act Release No. 39032 (September 9, 1997) 62 FR 48683 (September 16, 1997). The Commission stated that ''the elimination of position and exercise limits for FLEX equity options allows the Exchanges to better compete with the growing OTC market in customized equity options, thereby encouraging fair competition among brokers and exchange markets.'' *Id.* at 48685. The Commission notes that approval of the elimination of position and exercise limits for FLEX equity options was granted for a two-year pilot period and was based on several other factors including, in large part, additional safeguards adopted by the exchanges to allow them to monitor large options positions.

[6] 15 U.S.C. 78f(b).

[7] 15 U.S.C. 78f(b)(5).

facilitate transactions in securities, and in general, to protect investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition 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

Written comments on the proposed rule change were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve such proposed rule change, or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submission should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, D.C. 20549. 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, located at the above address. Copies of such filing will also be available for inspection and copying at the principal office of the self-regulatory organization. All submissions should refer to File No. SR–PCX–98–33 and should be submitted by August 4, 1998.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–18639 Filed 7–13–98; 8:45 am]

BILLING CODE 8010–01–M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Index of Administrator's Decisions and Orders in Civil Penalty Actions; Publication

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of publication.

SUMMARY: This notice constitutes the required quarterly publication of an index of the Administrator's decisions and orders in civil penalty cases. *This publication represents the quarter ending on June 30, 1998.* This publication ensures that the agency is in compliance with statutory indexing requirements.

FOR FURTHER INFORMATION CONTACT: James S. Dillman, Assistant Chief Counsel for Litigation (AGC–400), Federal Aviation Administration, 400 7th Street, SW., Suite PL 200–A, Washington, DC 20590; telephone number: (202) 366–4118.

SUPPLEMENTARY INFORMATION: The Administrative Procedure Act requires Federal agencies to maintain and make available for public inspection and copying current indexes containing identifying information regarding materials required to be made available or published. 5 U.S.C. 552(a)(2). In a notice issued on July 11, 1990, and published in the **Federal Register** (55 FR 29148; July 17, 1990), the FAA announced the public availability of several indexes and summaries that provide identifying information about the decisions and orders issued by the Administrator under the FAA's civil penalty assessment authority and the rules of practice governing hearings and appeals of civil penalty actions. 14 CFR Part 13, Subpart G.

The FAA maintains an index of the Administrator's decisions and orders in civil penalty actions organized by order number and containing identifying information about each decision or order. The FAA also maintains a cumulative subject-matter index and digests organized by order number. The indexes are published on a quarterly basis (i.e., January, April, July, and October.)

The FAA first published these indexes and digests for all decisions and orders issued by the Administrator through September 30, 1990. 55 FR 45984; October 31, 1990. The FAA announced in that notice that only the subject-matter index would be published cumulatively and that the order number index would be non-cumulative. The FAA announced in a later notice that the order number indexes published in January would reflect all of the civil penalty decisions for the previous year. 58 FR 5044; 1/19/93.

The previous quarterly publications of the indexes have appeared in the **Federal Register** as follows:

Dates of quarter	Federal Register publication
11/1/89–9/30/90	55 FR 45984; 10/31/90
10/1/90–12/31/90 ..	56 FR 44886; 2/6/91
1/1/91–3/31/91	56 FR 20250; 5/2/91
4/1/91–6/30/91	56 FR 31984; 7/12/91
7/1/91–9/30/91	56 FR 51735; 10/15/91
10/1/91–12/31/91 ..	57 FR 2299; 1/21/92
1/1/92–3/31/92	57 FR 12359; 4/9/92
4/1/92–6/30/92	57 FR 32825; 7/23/92
7/1/92–9/30/92	57 FR 48255; 10/22/92
10/1/92–12/31/92 ..	58 FR 5044; 1/19/93
1/1/93–3/31/93	58 FR 21199; 4/19/93
4/1/93–6/30/93	58 FR 42120; 8/6/93
7/1/93–9/30/93	58 FR 58218; 10/29/93
10/1/93–12/31/93 ..	59 FR 5466; 2/4/94
1/1/94–3/31/94	59 FR 22196; 4/29/94
4/1/94–6/30/94	59 FR 39618; 8/3/94
7/1/94–12/31/94	60 FR 4454; 1/23/95
1/1/95–3/31/95	60 FR 19318; 4/17/95
4/1/95–6/30/95	60 FR 36854; 7/18/95
7/1/95–9/30/95	60 FR 53228; 10/12/95
10/1/95–12/31/95 ..	61 FR 1972; 1/24/96
1/1/96–3/31/96	61 FR 16955; 4/18/96
4/1/96–6/30/96	61 FR 37526; 7/18/96
7/1/96–9/30/96	61 FR 54833; 10/22/96
10/1/96–12/31/96 ..	62 FR 2434; 1/16/97
1/1/97–3/31/97	62 FR 24533; 5/2/97
4/1/97–6/30/97	62 FR 38339; 7/17/97
7/1/97–9/30/97	62 FR 53856; 10/16/97
10/1/97–12/31/97 ..	63 FR 3373; 1/22/98
1/1/98–3/31/98	63 FR 19559; 4/20/98

The civil penalty decisions and orders, and the indexes and digests are available in FAA offices. In addition, the Administrator's civil penalty decisions have been published by commercial publishers (Hawkins Publishing Company and Clark Boardman Callahan) and are available on computer on-line services (Westlaw, LEXIS, Compuserve and FedWorld). A list of the addresses of the FAA offices where the civil penalty decisions may be reviewed and information regarding these commercial publications and computer databases appear at the end of this notice.

Information regarding the accessibility of materials filed in recently initiated civil penalty cases in FAA civil penalty cases at the DOT Docket and over the Internet is also set forth at the end of this notice.

Civil Penalty Actions—Orders Issued by the Administrator

Order Number Index

[This index includes all decisions and orders issued by the Administrator from April 1, 1998, to June 30, 1998.]

98–6 Continental Airlines
4/7/98 CP97NM0003
98–7 City of Los Angeles, Dep't of Airports
4/7/98 CP96WP0046
98–8 Paul A. Carr
5/4/98 CP96NM0106
98–9 Continental Express
5/4/9 CP97EA0049
98–10 Daniel B. Rawlings
5/8/98 CP97WP0025
98–11 TWA
6/16/98 CP96NE0294
98–12 David G. Stout
6/16/98 CP96WP0304
98–13 Air St. Thomas
6/16/98 CP97SO0007

Civil Penalty Actions—Orders Issued by the Administrator

Subject Matter Index

(Current as of June 30, 1998)

Administrative Law Judges—Power and Authority:
- Continuance of hearing ..... 91–11 Continental Airlines; 92–29 Haggland.
- Credibility findings ..... 90–21 Carroll; 92–3 Park; 93–17 Metcalf; 94–3 Valley Air; 94–4 Northwest Aircraft Rental; 95–25 Conquest; 95–26 Hereth; 97–20 Werle; 97–30 Emery Worldwide Airlines; 97–32 Florida Propeller.
- Default Judgment ..... 91–11 Continental Airlines; 92–47 Cornwall; 94–8 Nunez; 94–22 Harkins; 94–28 Toyota; 95–10 Diamond; 97–28 Continental Airlines; 97–33 Rawlings; 98–13 Air St. Thomas.
- Discovery ..... 89–6 American Airlines; 91–17 KDS Aviation; 91–54 Alaska Airlines; 92–46 Sutton-Sautter; 93–10 Costello.
- Expert Testimony ..... 94–21 Sweeney.
- Granting extensions of time ..... 90–27 Gabbert.
- Hearing location ..... 92–50 Cullop.
- Hearing request ..... 93–12 Langton; 94–6 Strohl; 94–27 Larsen; 94–37 Houston; 95–19 Rayner.
- Initial Decision ..... 92–1 Costello; 92–32 Barnhill.
  - Lateness of ..... 97–31 Sanford Air.
  - Should include requirement to file appeal brief ..... 98–5 Squire.
- Jurisdiction:
  - Generally ..... 90–20 Degenhardt; 90–33 Cato; 92–1 Costello; 92–32 Barnhill.
  - After issuance of order assessing civil penalty ..... 94–37 Houston; 95–19 Rayner; 97–33 Rawlings.
  - When complaint is withdrawn ..... 94–39 Kirola.
- Motion for Decision ..... 92–73 Wyatt; 92–75 Beck; 92–76 Safety Equipment; 93–11 Merkley; 96–24 Horizon.
- No authority to extend due date for late Answer without showing of good cause.
  - (See also Answer) ..... 95–28 Atlantic World Airways; 97–18 Robinson; 98–4 Larry's Flying Service.
- Notice of Hearing ..... 92–31 Eaddy.
- Regulate proceedings ..... 97–20 Werle.
- Sanction ..... 90–37 Northwest Airlines; 91–54 Alaska Airlines; 94–22 Harkins; 94–28 Toyota.
- Service of law judges by parties ..... 97–18 Robinson.
- Vacate initial decision ..... 90–20 Degenhardt; 92–32 Barnhill; 95–6 Sutton.

Aerial Photography ..... 95–25 Conquest Helicopters.
Agency Attorney ..... 93–13 Medel.
Air Carrier:
- Agent/independent contractor of ..... 92–70 US Air.
- Careless or Reckless ..... 92–48 & 92–70 US Air; 93–18 Westair Commuter.
- Duty of care:
  - Non-delegable ..... 92–70 US Air; 96–16 Westair Commuter; 96–24 Horizon; 97–8 Pacific Av. d/b/a InterIsland Helicopters.
- Employee ..... 93–18 Westair Commuter; 97–8 Pacific Av. d/b/a Inter-Island helicopters.
- Ground Security Coordinator, Failure to provide ..... 96–16 WestAir Commuter.
- Intoxicated Passenger:
- Allowing to board ..... 98–11 TWA.
  - Serving alcohol to ..... 98–11 TWA.
- Liability for acts/omissions of employees in the scope of employment. ..... 98–11 TWA.

Aircraft Maintenance (See also Airworthiness, Maintenance Manual):
- Generally ..... 90–11 Thunderbird Accessories; 91–8 Watts Agricultural Aviation; 93–36 & 94–3 Valley Air; 94–38 Bohan; 95–11 Horizon; 96–3 America West Airlines; 97–8 Pacific Av. d/b/a Inter-Island Helicopters; 97–9 Alphin; 97–10 Alphin; 97–11 Hampton; 97–30 Emery Worldwide Airlines; 97–31 Sanford Air.

Acceptable methods, techniques, and practices ..... 96–3 America West Airlines.
After certificate revocation ..... 92–73 Wyatt.
Airworthiness Directive, compliance with ..... 96–18 Kilrain; 97–9 Alphin.
Inspection ..... 96–18 Kilrain; 97–10 Alphin.
Major/minor repairs ..... 96–3 America West Airlines.
Minimum Equipment List (MEL) ..... 94–38 Bohan; 95–11 Horizon; 97–11 Hampton; 97–21 Delta; 97–30 Emery Worldwide Airlines.

Aircraft Records:
Aircraft Operation ..... 91–8 Watts Agricultural Aviation.
Flight and Duty Time ..... 96–4 South Aero.
Maintenance Records ..... 91–8 Watts Agricultural Aviation; 94–2 Woodhouse; 97–30 Emery Worldwide Airlines; 97–31 Sanford Air.
''Yellow tags'' ..... 91–8 Watts Agricultural Aviation.

Aircraft-Weight and Balance (See Weight and Balance): Airmen
Pilots ..... 91–12 & 91–31 Terry & Menne; 92–8 Watkins; 92–49 Richardson & Shimp; 93–17 Metcalf.
Altitude deviation ..... 92–49 Richardson & Shimp.
Careless or Reckless ..... 91–12 & 91–31 Terry & Menne; 92–8 Watkins; 92–49 Richardson & Shimp; 92–47 Cornwall; 93–17 Metcalf; 93–29 Sweeney; 96–17 Fenner.
Flight time limitations ..... 93–11 Merkley.
Follow ATC Instruction ..... 91–12 & 91–31 Terry & Menne; 92–8 Watkins; 92–49 Richardson & Shimp.
Low Flight ..... 92–47 Cornwall; 93–17 Metcalf.
Owner's responsibility ..... 96–17 Fenner.
See and Avoid ..... 93–29 Sweeney.

Air Operations Area (AOA):
Air Carrier:
Responsibilities ..... 90–19 Continental Airlines; 91–33 Delta Air Lines; 94–1 Delta Air Lines.

Airport Operator:
Responsibilities ..... 90–19 Continental Airlines; 91–4 [Airport Operator]; 91–18 [Airport Operator]; 91–40 [Airport Operator]; 91–41 [Airport Operator]; 91–58 [Airport Operator]; 96–1 [Airport Operator]; 98–7 LAX.
Badge Display ..... 91–4 [Airport Operator]; 91–33 Delta Air Lines.
Definition of ..... 90–19 Continental Airlines; 91–4 [Airport Operator]; 91–58 [Airport Operator].
Exclusive Areas ..... 90–19 Continental Airlines; 91–4 [Airport Operator]; 91–58 [Airport Operator]; 98–7 LAX.

Airport Security Program (ASP):
Compliance with ..... 91–4 [Airport Operator]; 91–18 [Airport Operator]; 91–40 [Airport Operator]; 91–41 [Airport Operator]; 91–58 [Airport Operator]; 94–1 Delta Air Lines; 96–1 [Airport Operator]; 97–23 Detroit Metropolitan; 98–7 LAX.

Airport Operator Responsibilities ..... 90–12 Continental Airlines; 91–4 [Airport Operator]; 91–18 [Airport Operator]; 91–40 [Airport Operator]; 91–41 [Airport Operator]; 91–58 [Airport Operator]; 96–1 [Airport Operator]; 97–23 Detroit Metropolitan.

Air Traffic Control (ATC):
Error as mitigating factor ..... 91–12 & 91–31 Terry & Menne.
Error as exonerating factor ..... 91–12 & 91–31 Terry & Menne; 92–40 Wendt.
Ground Control ..... 91–12 Terry & Menne; 93–18 Westair Commuter.
Local Control ..... 91–12 Terry & Menne.
Tapes & Transcripts ..... 91–12 Terry & Menne; 92–49 Richardson & Shimp.

Airworthiness ..... 91–8 Watts Agricultural Aviation; 92–10 Flight Unlimited; 92–48 & 92–70 USAir; 94–2 Woodhouse; 95–11 Horizon; 96–3 America West Airlines; 96–18 Kilrain; 94–25 USAir; 97–8 Pacific Av. d/b/a/ Inter-Island Helicopters; 97–9 Alphin; 97–10 Alphin; 97–11 Hampton; 97–21 Delta; 97–30 Emery Worldwide Airlines; 97–32 Florida Propeller.

Amicus Curiae Briefs ..... 90–25 Gabbert.

Answer:
ALJ may not extend due date for late Answer unless good cause shown. 95–28 Atlantic World Airways; 97–18 Robinson; 97–33 Rawlings; 98–4 Larry's Flying Service.
Timeliness of answer ..... 90–3 Metz; 90–15 Playter; 92–32 Barnhill; 92–47 Cornwall; 92–75 Beck; 92–76 Safety Equipment; 94–5 Grant; 94–29 Sutton; 94–30 Columna; 94–43 Perez; 95–10 Diamond; 95–28 Atlantic World Airways; 97–18 Robinson; 97–19 Missirlian; 97–33 Rawlings; 97–38 Air St. Thomas; 98–4 Larry's Flying Service; 98–13 Air St. Thomas.
What constitutes ..... 92–32 Barnhill; 92–75 Beck; 97–19 Missirlian.

Appeals (See also Filing; Timeliness; Mailing Rule):
Briefs, Generally ..... 89–4 Metz; 91–45 Park; 92–17 Giuffrida; 92–19 Cornwall; 92–39 Beck; 93–24 Steel City Aviation; 93–28 Strohl; 94–23 Perez; 95–13 Kilrain.

Additional Appeal Brief	92–3 Park; 93–5 Wendt; 93–6 Westair Commuter; 93–28 Strohl; 94–4 Northwest Aircraft; 94–18 Luxemburg; 94–29 Sutton; 97–22 Sanford Air; 97–34 Continental Airlines; 97–38 Air St. Thomas.
Appeal dismissed as premature	95–19 Rayner.
Appeal dismissed as moot after complaint withdrawn	92–9 Griffin.
Appellate arguments	92–70 USAir.
Court of Appeals, appeal to (See Federal Courts) Good Cause for Late-Filed Brief or Notice of Appeal.	90–3 Metz; 90–27 Gabbert; 90–39 Hart; 91–10 Graham; 91–24 Esau; 91–48 Wendt; 91–50 & 92–1 Costello; 92–3 Park; 92–17 Giuffrida; 92–39 Beck; 92–41 Moore & Sabre Associates; 92–52 Beck; 92–57 Detroit Metro Wayne Co. Airport; 92–69 McCabe; 93–23 Allen: 93–27 Simmons; 93–31 Allen; 95–2 Meronek; 95–9 Woodhouse; 95–25 Conquest, 97–6 WRA Inc.; 97–7 Stalling; 97–28 Continental; 97–38 Air St. Thomas; 98–1 V. Taylor; 98–13 Air St. Thomas.
Motion to Vacate Construed as a brief	91–11 Continental Airlines.
Perfecting an Appeal, generally	92–17 Giuffrida; 92–19 Cornwall; 92–39 Beck; 94–23 Perez; 95–13 Kilrain; 96–5 Alphin Aircraft.
Extension of Time for (good cause for)	89–8 Thunderbird Accessories; 91–26 Britt Airways; 91–32 Bargen; 91–50 Costello; 93–2 & 93–3 Wendt; 93–24 Steel City Aviation; 93–32 Nunez; 98–5 Squire.
Failure to	89–1 Gressani; 89–7 Zenkner; 90–11 Thunderbird Accessories; 90–35 P. Adams; 90–39 Hart; 91–7 Pardue; 91–10 Graham; 91–20 Bargen; 91–43, 91–44, 91–46, 91–47 Delta Air Lines; 92–11 Alilin; 92–15 Dillman; 92–18 Bargen; 92–34 Carrell; 92–35 Bay Land Aviation; 92–36 Southwest Airlines; 92–45 O'Brien; 92–56 Montauk Caribbean Airways; 92–67 USAir; 92–68 Weintraub; 92–78 TWA; 93–7 Dunn; 93–8 Nunez; 93–20 Smith; 93–23 & 93–31 Allen; 93–34 Castle Aviation; 93–35 Steel City Aviation; 94–12 Bartusiak; 94–24 Page; 94–26 French Aircraft; 94–34 American International Airways; 94–35 American International Airways; 94–36 American International Airways; 95–4 Hanson; 95–22 & 96–5 Alphin Aircraft; 96–2 Skydiving Center; 96–13 Winslow; 97–3 [Airport Operator], 97–6 WRA, Inc.; 97–15 Houston & Johnson County; 97–35 Gordon Air Services; 97–36 Avcon; 97–37 Roush; 98–10 Rawlings.
Notice of appeal construed as appeal brief	92–39 Beck; 94–15 Columna; 95–9 Woodhouse; 95–23 Atlantic World Airways; 96–20 Missirlian; 97–2 Sanford Air; 98–5 Squire.
What Constitutes	90–4 Metz; 90–27 Gabbert; 91–45 Park; 92–7 West; 92–17 Giuffrida; 92–39 Beck; 93–7 Dunn; 94–15 Columna; 94–23 Perez; 94–30 Columna; 95–9 Woodhouse; 95–23 Atlantic World Airways; 96–20 Missirlian; 97–2 Sanford Air.
Service of brief:	
Failure to Serve Other party	92–17 Giuffrida; 92–19 Cornwall.
Timeliness of Notice of Appeal	90–3 Metz; 90–39 Hart; 91–50 Costello; 92–7 West; 92–69 McCabe; 93–27 Simmons; 95–2 Meronek; 95–9 Woodhouse; 95–15 Alphin Aviation; 96–14 Midtown Neon Sign Corp.; 97–7 & 97–17 Stallings; 97–28 Continental 97–38 Air St. Thomas; 98–1 V. Taylor; 98–13 Air St. Thomas.

Withdrawl of ..... 89–2 Lincoln-Walker; 89–3 Sittko; 90–4 Nordrum; 90–5 Sussman; 90–6 Dabaghian; 90–7 Steele; 90–8 Jenkins; 90–9 Van Zandt; 90–13 O'Dell; 90–14 Miller; 90–28 Puleo; 90–29 Sealander; 90–30 Steidinger; 90–34 D. Adams; 90–40 & 90–41 Westair Commuter Airlines; 91–1 Nestor; 91–5 Jones; 91–6 Lowery; 91–13 Kreamer; 91–14 Swanton; 91–15 Knipe; 91–16 Lopez; 91–19 Bayer; 91–21 Britt Airways; 91–22 Omega Silicone Co.; 91–23 Continental Airlines; 91–25 Sanders; 91–27 Delta Air Lines; 91–28 Continental Airlines; 91–29 Smith; 91–34 GASPRO; 91–35 M. Graham; 91–36; Howard; 91–37 Vereen; 91–39 America West; 91–42 Pony Express; 91–49 Shields; 91–56 Mayhan; 91–57 Britt Airways; 91–59 Griffin; 91–60 Brinton; 92–2 Koller; 92–4 Delta Air Lines; 92–6 Rothgeb; 92–12 Bertetto 92–20 Delta Air Lines; 92–21 Cronberg; 92–22, 92–23, 92–24, 92–25, 92–26 & 92–28 Delta Air Lines; 92–33 Port Authority of NY & NJ; 92–42 Jayson; 92–43 Delta Air Lines; 92–44 Owens; 92–53 Humble 92–54 & 92–55 Northwest Airlines; 92–60 Costello; 92–61 Romerdahl; 92–62 USAir; 92–63 Schaefer; 92–64 & 92–65 Delta Air Lines; 92–66 Sabre Associates & Moore; 92–79 Delta Air Lines; 93–1 Powell & Co.; 93–4 Harrah; 93–14 Fenske; 93–15 Brown; 93–21 Delta Air Lines; 93–22 Yannotone; 93–26 Delta Air Lines; 93–33 HPH Aviation; 94–9 B & G Instruments; 94–10 Boyle; 94–11 Pan American Airways; 94–13 Boyle; 94–14 B & G Instruments; 94–16 Ford; 94–33 Trans World Airlines; 94–41 Dewey Towner; 94–42 Taylor; 95–1 Diamond Aviation; 95–3 Delta Air Lines; 95–5 Araya; 95–6 Sutton; 95–7 Empire Airlines, 95–20 USAir; 95–21 Faisca; 95–24 Delta Air Lines; 96–7 Delta Air Lines; 96–8 Empire Airlines; 96–10 USAir; 96–11 USAir; 96–12 USAir; 96–21 Houseal; 97–4 [Airport Operator]; 97–5 WestAir; 97–25 Martin & Jaworski; 97–26 Delta Air Lines; 97–27 Lock Haven; 97–39 Delta Air Lines; 98–9 Continental Express.

Assault (See also Battery, and Passenger Misconduct) ..... 96–6 Ignatov; 97–12 Mayer.
''Attempt'' ..... 89–5 Schultz.
Attorney Conduct:
Obstreperous or Disruptive ..... 94–39 Kirola.
Attorney Fees (See EAJA)
Aviation Safety Reporting System ..... 90–39 Hart; 91–12 Terry & Menne; 92–49 Richardson & Shimp.
Baggage Matching ..... 98–6 Continental.
Balloon (Hot Air) ..... 94–2 Woodhouse.
Bankruptcy ..... 91–2 Continental Airlines.
Battery (See also Assault and Passenger Misconduct) ..... 96–6 Ignatov; 97–12 Mayer.
Certificates and Authorizations Surrender when revoked ..... 92–73 Wyatt.
Civil Air Security National Airport:
Inspection Program (CASNAIP) ..... 91–4 [Airport Operator]; 91–18 [Airport Operator]; 91–40 [Airport Operator]; 91–41 [Airport Operator]; 91–58 [Airport Operator].
Civil Penalty Amount (See Sanction)
Closing Argument (See Final Oral Argument)
Collateral Estoppel ..... 91–8 Watts Agricultural Aviation.
Complaint:
Complainant Bound By ..... 90–10 Webb; 91–53 Koller.
No Timely Answer to (See Answer)
Partial Dismissal/Full Sanction ..... 94–19 Pony Express; 94–40 Polynesian Airways.
Staleness (See Stale Complaint Rule)
Statute of Limitations (See Statute of Limitations)
Timeliness of complaint ..... 91–51 Hagwood; 93–13 Medel; 94–7 Hereth; 94–5 Grant.
Withdrawal of ..... 94–39 Kirola; 95–6 Sutton.
Compliance & Enforcement Program:
(FAA Order No. 2150.3A) ..... 89–5 Schultz; 89–6 American Airlines; 91–38 Esau; 92–5 Delta Air Lines.
Compliance/Enforcement Bulletin 92–3 ..... 96–19 [Air Carrier]
Sanction Guidance Table ..... 89–5 Schultz; 90–23 Broyles; 90–33 Cato; 90–37 Northwest Airlines; 91–3 Lewis; 92–5 Delta Air Lines.
Concealment of Weapons (See Weapons Violations)
Consolidation of Cases ..... 90–12, 90–18 & 90–19 Continental Airlines.
Constitutionality of Regulations (See also Double Jeopardy) ..... 90–12 Continental Airlines; 90–18 Continental Airlines; 90–19 Continental Airlines; 90–37 Northwest Airlines; 96–1 [Airport Operator]; 96–25 USAir; 97–16 Mauna Kea; 97–34 Continental Airlines; 98–6 Continental Airlines; 98–11 TWA.
Continuance of Hearing ..... 90–25 Gabbert; 92–29 Haggland.
Corrective Action (See Sanction)
Counsel:
Leave to withdraw ..... 97–24 Gordon.
No right to assigned counsel (See Due Process)
Credibility of Witnesses:
Generally ..... 95–25 Conquest Helicopters; 95–26 Hereth; 97–32 Florida Propeller.
Bias ..... 97–9 Alphin.

Defer to ALJ determination of ..... 90–21 Carroll; 92–3 Park; 93–17 Metcalf; 95–26 Hereth; 97–20 Werle; 97–30 Emery Worldwide Airlines; 97–32 Florida Propeller; 98–11 TWA.
Expert witnesses (See also Witnesses) ..... 90–27 Gabbert; 93–17 Metcalf; 96–3 America West Airlines.
Impeachment ..... 94–4 Northwest Aircraft Rental.
Reliability of Identification by eyewitnesses ..... 97–20 Werle.
De Facto answer ..... 92–32 Barnhill.
Delay in initiating action ..... 90–21 Carroll.
Deliberative Process Privilege ..... 89–6 American Airlines; 90–12, 90–18 & 90–19 Continental Airlines.
Deterrence ..... 89–5 Schultz; 92–10 Flight Unlimited; 95–16 Mulhall; 95–17 Larry's Flying Service; 97–1 Hampton.
Discovery:
Deliberative Process Privilege ..... 89–6 American Airlines; 90–12, 90–18 & 90–19 Continental Airlines.
Depositions, generally ..... 91–54 Alaska Airlines.
Notice of deposition ..... 91–54 Alaska Airlines.
Failure to Produce ..... 90–18 & 90–19 Continental Airlines; 91–17 KDS Aviation; 93–13 Costello.
Sanction for ..... 91–17 KDS Aviation; 91–54 Alaska Airlines.
Regarding unrelated case ..... 92–46 Sutton-Sautter.
Double Jeopardy ..... 95–8 Charter Airlines; 96–26 Midtown.
Due Process:
Generally ..... 89–6 American Airlines; 90–12 Continental Airlines; 90–37 Northwest Airlines; 96–1 [Airport Operator]; 97–8 Pacific Av. d/b/a Inter-Island Helicopter.
Before finding a violation ..... 90–27 Gabbert.
Multiple violations ..... 96–26 Midtown; 97–9 Alphin.
No right to assigned counsel ..... 97–8 Pacific Av. d/b/a Inter-Island Helicopters; 97–9 Alphin.
Violation of ..... 89–6 American Airlines; 9–12 Continental Airlines; 90–37 Northwest Airlines; 96–1 [Airport Operator]; 97–8 Pacific Av. d/b/a Inter-Island Helicopters.
EAJA:
Adversary Adjudication ..... 90–17 Wilson; 91–17 & 91–52 KDS Aviation; 94–17 TCI; 95–12 Toyota.
Amount of award ..... 95–27 Valley Air.
Appeal from ALJ decision ..... 95–9 Woodhouse.
Expert witness fees ..... 95–27 Valley Air.
Final disposition ..... 96–22 Woodhouse.
Further proceedings ..... 91–52 KDS Aviation.
Jurisdiction over appeal ..... 92–74 Wendt; 96–22 Woodhouse.
Late-filed application ..... 96–22 Woodhouse.
Other expenses ..... 93–29 Sweeney.
Position of agency ..... 95–27 Valley Air.
Prevailing party ..... 91–52 KDS Aviation.
Special circumstances ..... 95–18 Pacific Sky.
Substantial justification ..... 91–52 & 92–71 KDS Aviation; 93–9 Wendt; 95–18 Pacific Sky; 95–27 Valley Air; 96–15 Valley Air.
Supplementation of application ..... 95–27 Valley Air.
Evidence (See Proof & Evidence)
Ex Parte Communications ..... 93–10 Costello; 95–16 Mulhall; 95–19 Rayner.
Expert Witnesses (See Witness)
Extension of Time:
By Agreement of Parties ..... 89–6 American Airlines; 92–41 Moore & Sabre Associates.
Dismissal by Decisionmaker ..... 89–7 Zenkner; 90–39 Hart.
Good Cause for ..... 89–8 Thunderbird Accessories.
Objection to ..... 89–8 Thunderbird Accessories; 93–3 Wendt.
Who may grant ..... 90–27 Gabbert.
Federal Courts ..... 92–27 West; 97–1 Midtown Neon Sign; 98–8 Carr.
Federal Rules of Civil Procedure ..... 91–17 KDS Aviation.
Federal Rules of Evidence (See also Proof & Evidence):
Admissions ..... 96–25 USAir.
Settlement Offers ..... 95–16 Mulhall; 96–25 USAir.
Subsequent Remedial Measures ..... 96–24 Horizon; 96–25 USAir.
Final Oral Argument ..... 92–3 Park.
Firearms (See Weapons)
Ferry Flights ..... 95–8 Charter Airlines.
Filing (See also Appeals; Timeliness)
Burden to prove date of filing ..... 97–11 Hampton Air; 98–1 V. Taylor.
Flight & Duty Time:
Circumstances beyond crew's control:
General ..... 95–8 Charter Airlines.
Foreseeability ..... 95–8 Charter Airlines.
Late Freight ..... 95–8 Charter Airlines.
Weather ..... 95–8 Charter Airlines.
Competency check flights ..... 96–4 South Aero.

Limitation of Duty Time ..... 95–8 Charter Airlines; 96–4 South Aero.
Limitation of Flight Time ..... 95–8 Charter Airlines.
"Other commercial flying" ..... 95–8 Charter Airlines.
Flights ..... 94–20 Conquest Helicopters.
Freedom of Information Act ..... 93–10 Costello.
Fuel Exhaustion ..... 95–26 Hereth.
Guns (See Weapons)
Ground Security Coordinator (See also Air Carrier; Standard Security Program) Failure to provide. ..... 96–16 WestAir Commuter.
Hazardous Materials:
Transportation of, generally ..... 90–37 Northwest Airlines; 92–76 Safety Equipment; 92–77 TCI; 94–19 Pony Express; 94–28 Toyota; 94–31 Smalling; 95–12 Toyota; 95–16 Mulhall; 96–26 Midtown.
Civil Penalty, generally ..... 92–77 TCI; 94–28 Toyota; 94–31 Smalling; 95–16 Mulhall; 96–26 Midtown; 98–2 Carr.
Corrective Action ..... 92–77 TCI; 94–28 Toyota.
Culpability ..... 92–77 TCI; 94–28 Toyota; 94–31 Smalling.
Financial hardship ..... 95–16 Mulhull.
Installment plan ..... 95–16 Mulhull.
First-time violation ..... 92–77 TCI; 94–28 Toyota; 94–31 Smalling.
Gravity of violation ..... 92–77 TCI; 94–28 Toyota; 94–31 Smalling; 96–26 Midtown; 98–2 Carr.
Minimum penalty ..... 95–16 Mulhall; 98–2 Carr.
Number of violations ..... 95–16 Mulhall; 96–26 Midtown Neon Sign; 98–2 Carr.
Redundant violations ..... 95–16 Mulhall; 96–26 Midtown Neon Sign; 98–2 Carr.
Criminal Penalty ..... 92–77 TCI; 94–31 Smalling.
EAJA applicability of ..... 94–17 TCI; 95–12 Toyota.
Individual violations ..... 95–16 Mulhall.
Judicial review ..... 97–1 Midtown Neon Sign; 98–8 Carr.
Knowingly ..... 92–77 TCI; 94–19 Pony Express; 94–31 Smalling.
Specific hazard class transported:
Combustible:
Paint ..... 95–16 Mulhall.
Corrosive:
Wet Battery ..... 94–28 Toyota Motor Sales.
Other ..... 92–77 TCI.
Explosive:
Fireworks ..... 94–31 Smalling; 98–2 Carr.
Flammable:
Paint ..... 96–26 Midtown Neon Sign.
Turpentine ..... 95–16 Mulhall.
Radioactive ..... 94–19 Pony Express.
Informal Conference ..... 94–4 Northwest Aircraft Rental.
Initial Decision:
What constitutes ..... 92–32 Barnhill.
Interference with crewmembers (See also Passenger Misconduct; Assault). ..... 92–3 Park; 96–6 Ignatov; 97–12 Mayer; 98–11 TWA; 98–12 Stout.
Interloctory Appeal ..... 89–6 American Airlines; 91–54 Alaska Airlines; 93–37 Airspect; 94–32 Detroit Metropolitan.
Internal FAA Policy &/or Procedures ..... 89–6 American Airlines; 90–12 Continental Airlines; 92–73 Wyatt.
Jurisdiction:
After initial decision ..... 90–20 Degenhardt; 90–33 Cato; 92–32 Barnhill; 93–28 Strohl.
After Order Assessing Civil Penalty ..... 94–37 Houston; 95–19 Rayner.
After withdrawal of complaint ..... 94–39 Kirola.
$50,000 Limit ..... 90–12 Continental Airlines.
EAJA cases ..... 92–74 Wendt; 96–22 Woodhouse.
HazMat cases ..... 92–76 Safety Equipment.
NTSB ..... 90–11 Thunderbird Accessories.
Knowledge of concealed weapon (See also Weapons Violation) ..... 89–5 Schultz; 90–20 Degenhardt.
Laches (See Delay in initiating action)
Mailing Rule, generally ..... 89–7 Zenkner; 90–3 Metz; 90–11 Thunderbird Accessories; 90–39 Hart.
Overnight express delivery ..... 89–6 American Airlines.
Maintenance (See Aircraft Maintenance)
Maintenance Instruction ..... 93–36 Valley Air.
Maintenance Manual ..... 90–11 Thunderbird Accessories; 96–25 USAir.
Air carrier maintenance manual ..... 96–3 America West Airlines.
Approved/accepted repairs ..... 96–3 America West Airlines.
Manufacturer's maintenance manual ..... 96–3 America West Airlines; 97–31 Sanford Air; 97–32 Florida Propeller.
Minimum Equipment List (MEL) (See Aircraft Maintenance)
Mootness, appeal dismissed as moot ..... 92–9 Griffin; 94–17 TCI.
National Aviation Safety Inspection Program (NASIP) ..... 90–16 Rocky Mountain.
National Transportation Safety Board Administrator not bound by NTSB case law. ..... 91–12 Terry & Menne; 92–49 Richardson & Shimp; 93–18 Westair Commuter.
Lack of Jurisdiction ..... 90–11 Thunderbird Accessories; 90–17 Wilson; 92–74 Wendt.

Notice of Hearing:
Receipt ..... 92–31 Eaddy.
Notice of Proposed Civil Penalty:
Initiates Action ..... 91–9 Continental Airlines.
Signature of agency attorney ..... 93–12 Langton.
Withdrawal of ..... 90–17 Wilson.
Operate, generally ..... 91–12 & 91–31 Terry & Menne; 93–18 Westair Commuter; 96–17 Fenner.
Responsibility of aircraft owner/operator for actions of pilot ..... 96–17 Fenner.
Oral Argument before Administrator on appeal:
Decision to hold ..... 92–16 Wendt.
Instructions for ..... 92–27 Wendt.
Order Assessing Civil Penalty:
Appeal from ..... 92–1 Costello; 95–19 Rayner.
Timeliness of request for hearing ..... 95–19 Rayner.
Withdrawal of ..... 89–4 Metz; 90–16 Rocky Mountain; 90–22 USAir; 95–19 Rayner; 97–7 Stalling.
Parachuting ..... 98–3 Fedele.
Parts Manufacturer Approval (PMA):
Failure to obtain ..... 93–19 Pacific Sky Supply.
Passenger Misconduct ..... 92–3 Park.
Assault/Battery ..... 96–6 Ignatov; 97–12 Mayer; 98–11 TWA.
Interference with a crewmember ..... 96–6 Ignatov; 97–12 Mayer; 98–11 TWA; 98–12 Stout.
Smoking ..... 92–37 Giuffrida.
Stowing carry-on items ..... 97–12 Mayer.
Penalty (See Sanction; Hazardous Materials)
Person ..... 93–18 Westair Commuter.
Prima Facie Case (See also Proof & Evidence) ..... 95–26 Hereth; 96–3 America West Airlines.
Proof & Evidence (See also Federal Rules of Evidence):
Affirmative Defense ..... 92–13 Delta Air Lines; 92–72 Giuffrida; 98–6 Continental Airlines.
Burden of Proof ..... 90–26 & 90–43 Waddell; 91–3 Lewis; 91–30 Trujillo; 92–13 Delta Air Lines; 92–72 Giuffrida; 93–29 Sweeney; 97–32 Florida Propeller.
Circumstantial Evidence ..... 90–12, 90–19 & 91–9 Continental Airlines; 93–29 Sweeney; 96–3 America West Airlines; 97–10 Alphin; 97–11 Hampton; 97–2 Florida Propeller; 98–6 Continental Airlines.
Credibility (See Administrative Law Judges; Credibility of Witnesses)
Criminal standard rejected ..... 91–12 Terry & Menne.
Closing Arguments (See also Final Oral Argument) ..... 94–20 Conquest Helicopters.
Extra-record material ..... 95–26 Hereth; 96–24 Horizon.
Hearsay ..... 92–72 Giuffrida; 97–30 Emery Worldwide Airlines; 98–11 TWA.
Offer of proof ..... 97–32 Florida Propeller.
Preponderance of evidence ..... 90–11 Thunderbird Accessories; 90–12 Continental Airlines; 91–12 & 91–31 Terry & Menne; 97–72 Giuffrida; 97–30 Emery Worldwide Airlines; 97–31 Sanford Air; 97–2 Florida Propeller; 98–3 Fedele; 98–6 Continental Airlines; 98–11 TWA.
Presumption that message on ATC tape is received as transmitted. 91–12 Terry & Menne; 92–49 Richardson & Shimp.
Presumption that a gun is deadly or dangerous ..... 90–26 Waddell; 91–30 Trujillo.
Presumption that owner gave pilot permission ..... 96–17 Fenner.
Prima facie case ..... 95–26 Hereth, 96–3 America West; 98–6 Continental Airlines.
Settlement offer ..... 95–16 Mulhall; 96–25 USAir.
Subsequent remedial measures ..... 96–24 Horizon; 96–25 USAir.
Substantial evidence ..... 92–72 Giuffrida.
Pro Se Parties:
Special Considerations ..... 90–11 Thunderbird Accessories; 90–3 Metz; 95–25 Conquest.
Prosecutorial Discretion ..... 89–6 American Airlines; 90–23 Broyles; 90–8 Continental Airlines; 91–41 [Airport Operator]; 92–46 Sutton-Sautter; 92–73 Wyatt; 95–17 Larry's Flying Service.
Administrator does not review Complainant's decision not to bring action against anyone but respondent. 98–2 Carr.
Reconsideration:
Denied by ALJ ..... 89–4 & 90–3 Metz.
Granted by ALJ ..... 92–32 Barnhill.
Late request for ..... 97–14 Pacific Aviation.
Petition based on new material ..... 96–23 Kilrain.
Repetitious petitions ..... 96–9 [Airport Operator].
Stay of order pending ..... 90–31 Carroll; 90–32 Continental Airlines.
Redundancy, enhancing safety ..... 97–11 Hampton.
Remand ..... 89–6 American Airlines; 90–16 Rocky Mountain; 90–24 Bayer; 91–51 Hagwood; 91–54 Alaska Airlines; 92–1 Costello; 92–76 Safety Equipment; 94–37 Houston.
Repair Station ..... 90–11 Thunderbird Accessories; 92–10 Flight Unlimited; 94–2 Woodhouse; 97–9 Alphin; 97–10 Alphin; 97–31 Sanford Air; 97–32 Florida Propeller.

Request for Hearing ..... 94–37 Houston; 95–19 Rayner.
Constructive withdrawal of ..... 97–7 Stalling.
Rules of Practice (14 CFR Part 13, Subpart G):
Applicability of ..... 90–12, 90–18 & 90–19 Continental Airlines; 91–17 KDS Aviation.
Challenges to ..... 90–12, 90–18 & 90–19 Continental Airlines; 90–21 Carroll; 90–37 Northwest Airlines.
Effect of Changes in ..... 90–21 Carroll; 90–22 USAir; 90–38 Continental Airlines.
Initiation of Action ..... 91–9 Continental Airlines.
Runway incursions ..... 92–40 Wendt; 93–18 Westair Commuter.
Sanction:
Ability to Pay ..... 89–5 Schultz; 90–10 Webb; 91–3 Lewis; 91–38 Esau; 92–10 Flight Unlimited; 92–32 Barnhill; 92–37 & 92–72 Giuffrida; 92–38 Cronberg; 92–46 Sutton-Sautter; 92–51 Koblick; 93–10 Costello; 94–4 Northwest Aircraft Rental; 94–20 Conquest Helicopters; 95–16 Mulhall; 95–17 Larry's Flying Service; 97–8 Pacific Av. d/b/a Inter-Island Helicopters; 97–11 Hampton; 97–16 Mauna Kea; 98–4 Larry's Flying Service; 98–11 TWA.
Agency policy:
ALJ bound by ..... 90–37 Northwest Airlines; 92–46 Sutton-Sautter; 96–19 [Air Carrier].
Changes after complaint ..... 97–7 & 97–17 Stallings.
Statements of (*e.g.*, FAA Order 2150.3A, Sanction Guidance Table, memoranda pertaining to). 90–19 Continental Airlines; 90–23 Broyles; 90–33 Cato; 90–37 Northwest Airlines; 92–46 Sutton-Sautter; 96–4 South Aero; 96–19 [Air Carrier]; 96–25 USAir.
Compliance Disposition ..... 97–23 Detroit Metropolitan.
Consistency with Precedent ..... 96–6 Ignatov; 96–26 Midtown; 97–30 Emery Worldwide Airlines; 98–12 Stout.
When precedent is based on superceded sanction policy ..... 96–19 [Air Carrier].
Corrective Action ..... 91–18 [Airport Operator]; 91–40 [Airport Operator]; 91–41 [Airport Operator]; 92–5 Delta Air Lines; 93–18 Westair Commuter; 94–28 Toyota; 96–4 South Aero; 96–19 [Air Carrier]; 97–16 Mauna Kea; 97–23 Detroit Metropolitan; 98–6 Continental Airlines.
Discovery (See Discovery)
Factors to consider ..... 89–5 Schultz; 90–23 Broyles; 90–37 Northwest Airlines; 91–3 Lewis; 91–18 [Airport Operator]; 91–40 [Airport Operator]; 91–41 [Airport Operator]; 92–10 Flight Unlimited; 92–46 Sutton-Sautter; 92–51 Koblick; 94–28 Toyota; 95–11 Horizon; 96–19 [Air Carrier]; 96–26 Midtown; 97–16 Mauna Kea; 98–2 Carr.
First-Time Offenders ..... 89–5 Schultz; 92–5 Delta Air Lines; 92–51 Koblick.
HazMat (See Hazardous Materials)
Inexperience ..... 92–10 Flight Unlimited.
Installment Payments ..... 96–16 Mulhall; 95–17 Larry's Flying Service.
Maintenance ..... 95–11 Horizon; 96–3 America West Airlines; 97–8 Pacific Av. d/b/a Inter-Island Helicopters; 97–9 Alphin; 97–10 Alphin; 97–11 Hampton; 97–30 Emery Worldwide Airlines.
Maximum ..... 90–10 Webb; 91–53 Koller; 96–19 [Air Carrier].
Minimum (HazMat) ..... 95–16 Mulhall; 96–26 Midtown; 98–2 Carr.
Modified ..... 89–5 Schultz; 90–11 Thunderbird Accessories; 91–38 Esau; 92–10 Flight Unlimited; 92–13 Delta Air Lines; 92–32 Barnhill.
Partial Dismissal of Complaint/Full Sanction (See also Complaint). 94–14 Pony Express; 94–40 Polynesian Airways.
Sanctions in specific cases:
Unairworthy aircraft ..... 97–8 Pacific Av. d/b/a Inter-Island Helicopters; 97–9 Alphin.
Passenger/baggage matching ..... 98–6 Continental Airlines.
Passenger Misconduct ..... 97–12; 98–12 Stout.
Person evading screening (See also Screening) ..... 97–20 Werle.
Pilot Deviation ..... 92–8 Watkins.
Test object detection ..... 90–18 & 90–19 Continental Airlines; 96–19 [Air Carrier].
Unauthorized access ..... 90–19 Continental Airlines; 90–37 Northwest Airlines; 94–1 Delta Air Lines; 98–7 LAX.
Weapons Violations ..... 90–23 Broyles; 90–33 Cato; 91–3 Lewis; 91–38 Esau; 92–32 Barnhill; 92–46 Sutton-Sautter; 92–51 Koblick; 94–5 Grant; 97–7 & 97–17 Stallings.
Screening of Persons:
Air carrier failure to detect weapon:
Sanction ..... 94–44 American Airlines.
Air carrier failure to match bag with passenger ..... 98–6 Continental Airlines.
Entering Sterile Areas ..... 90–24 Bayer; 92–58 Hoedl; 97–20 Werle.
Sanction for individual evading screening (See also Sanction) .... 97.20 Werle.
Security (See Screening of Persons, Standard Security Program, Test Object Detection, Unauthorized Access, Weapons Violations)
Sealing of Record ..... 97–13 Westair Commuter; 97–28 Continental Airlines.
Separation of Functions ..... 90–12 Continental Airlines; 90–18 Continental Airlines; 90–19 Continental Airlines; 90–21 Carroll; 90–38 Continental Airlines; 93–13 Medel.
Service (See also Mailing Rule; Receipt):

Of NPCP ..... 90–22 USAir; 97–20 Werle.
Of FNPCP ..... 93–13 Medel.
Receipt of document sent by mail ..... 92–31 Eaddy.
Return of certified mail ..... 97–7 & 97–17 Stallings.
Valid Service ..... 92–18 Bargen.
Settlement ..... 91–50 & 92–1 Costello; 95–16 Mulhall.
Skydiving ..... 98–3 Fedele.
Smoking ..... 92–37 Giuffrida; 94–18 Luxemburg.
Stale Complaint Rule:
If NPCP not sent ..... 97–20 Werle.
Standard Security Program (SSP):
Compliance with ..... 90–12, 90–18 & 90–19 Continental Airlines; 91–33 Delta Air lines; 91–55 Continental Airlines; 92–13 & 94–1 Delta Air Lines; 96–19 [Air Carrier].
Ground Security Coordinator ..... 96–16 Westair Commuter.
Statute of Limitations ..... 97–20 Werle.
Stay or Orders ..... 90–31 Carroll; 90–32 Continental Airlines.
Pending judicial review ..... 95–14 Charter Airlines.
Strict Liability ..... 89–5 Schultz; 90–27 Gabbert; 91–18 [Airport Operator]; 91–40 [Airport Operator]; 91–58 [Airport Operator]; 97–23 Detroit Metropolitan; 98–7 LAX.
Test Object Detection ..... 90–12, 90–18, 90–19, 91–9 & 91–55 Continental Airlines; 92–13 Delta Air Lines; 96–19 [Air Carrier].
Proof of violation ..... 90–18, 90–19 & 91–9 Continental Airlines; 92–13 Delta Air Lines.
Sanction ..... 90–18 & 90–19 Continental Airlines; 96–19 [Air Carrier].
Timeliness (See also complaint; Filing; Mailing Rule; and Appeals):
Burden to prove date of filing ..... 97–11 Hampton Air; 98–1 V. Taylor.
Of response to NPCP ..... 90–22 USAir.
Of complaint ..... 91–51 Hagwood; 93–13 Medel; 94–7 Hereth.
Of initial decision ..... 97–31 Sanford Air.
Of NPCP ..... 92–73 Wyatt.
Of reply brief ..... 97–11 Hampton.
Of request for hearing ..... 93–12 Langton; 95–19 Rayner.
Of EAJA application (See EAJA-Final disposition, EAJA-Jurisdiction)
Unapproved Parts (See also Parts Manufacturer Approval) ..... 93–19 Pacific Sky Supply.
Unauthorized Access:
To aircraft ..... 90–12 & 90–19 Continental Airlines; 94–1 Delta Air Lines.
To Air Operations Area (AOA) ..... 90–37 Northwest Airlines; 91–18 [Airport Operator]; 91–40 [Airport Operator]; 91–58 [Airport Operator]; 94–1 Delta Air Lines.
Visual Cues Indicating Runway, Adequacy of ..... 92–40 Wendt.
Weapons Violations, generally ..... 89–5 Schultz; 90–10 Webb; 90–20 Degenhardt; 90–23 Broyles; 90–33 Cato; 90–26 & 90–43 Waddell; 91–3 Lewis; 91–30 Trujillo; 91–38 Esau; 91–53 Koller; 92–32 Barnhill; 92–46 Sutton-Sautter; 92–51 Koblick; 92–59 Petek-Jackson; 94–5 Grant; 94–44 American Airlines.
Concealed weapon ..... 89–5 Schultz; 92–46 Sutton-Sautter; 92–51 Koblick.
''Deadly or Dangerous'' ..... 90–26 & 90–43 Waddell; 91–30 Trujillo; 91–39 Esau.
First-time Offenders ..... 89–5 Schultz.
Intent to commit violation ..... 89–5 Schultz; 90–20 Degenhardt; 90–23 Broyles; 90–26 Waddell; 91–3 Lewis; 91–53 Koller.
Knowledge:
Of Weapon Concealment (See also Knowledge) ..... 89–5 Schultz; 90–20 Degenhardt.
Sanction (See Sanction)
Weight and Balance ..... 94–40 Polynesian Airways.
Witnesses (See also Credibility):
Absence of, Failure to subpoena ..... 92–3 Park; 98–2 Carr.
Expert testimony:
Evaluation of ..... 93–17 Metcalf; 94–3 Valley Air; 94–21 Sweeney; 96–3 America West Airlines; 96–15 Valley Air; 97–9 Alphin; 97–32 Florida Propeller.
Expert witness fees (See EAJA)

REGULATIONS (TITLE 14 CFR, UNLESS OTHERWISE NOTED)

1.1 (maintenance) ..... 94–38 Bohan; 97–11 Hampton.
1.1 (major repair) ..... 96–3 America West Airlines.
1.1 (minor repair) ..... 96–3 America West Airlines.
1.1 (operate) ..... 91–12 & 91–31 Terry & Menne; 93–18 Westair Commuter; 96–17 Fenner.
1.1 (person) ..... 93–18 Westair Commuter.
1.1 (propeller) ..... 95–15 Valley Air.

13.16	90–16 Rocky Mountain; 90–22 USAir; 90–37 Northwest Airlines; 90–38 & 91–9 Continental Airlines; 91–18; [Airport Operator]; 91–51 Hagwood; 92–1 Costello; 92–46 Sutton-Sautter; 93–13 Medel; 93–28 Strohl; 94–27 Larsen; 94–37 Houston; 94–31 Smalling; 95–19 Rayner; 96–26 Midtown Neon Sign; 97–1 Midtown Neon Sign; 97–9 Alphin.
13.201	90–12 Continental Airlines.
13.202	90–6 American Airlines; 92–76 Safety Equipment.
13.203	90–12 Continental Airlines; 90–21 Carroll; 90–38 Continental Airlines.
13.204	
13.205	90–20 Degenhardt; 91–17 KDS Aviation; 91–54 Alaska Airlines; 92–32 Barnhill; 94–32 Detroit Metropolitan; 94–39 Kirola; 95–16 Mulhall; 97–20 Werle.
13.206	
13.207	94–39 Kirola.
13.208	90–21 Carroll; 91–51 Hagwood; 92–73 Wyatt; 92–76 Safety Equipment; 93–13 Medel; 93–28 Strohl; 94–7 Hereth; 97–20 Werle; 98–4 Larry's Flying Service.
13.209	90–3 Metz; 90–15 Playter; 91–18 [Airport Operator]; 92–32 Barhnill; 92–47 Cornwall; 92–75 Beck 92–76 Safety Equipment; 94–8 Nunez; 94–5 Grant; 94–22 Harkins; 94–29 Sutton; 94–30 Columna; 95–10 Diamond; 94–29 Atlantic World Airways; 97–7 Stalling; 97–18 Robinson; 97–33 Rawlings.
13.210	92–19 Cornwall; 92–75 Beck; 92–76 Safety Equipment; 93–7 Dunn; 93–28 Strohl; 94–5 Grant; 94–30 Columna; 95–28 Atlantic World Airways; 96–17 Fenner; 97–11 Hampton; 97–18 Robinson; 97–38 Air St. Thomas.
13.211	89–6 American Airlines; 89–7 Zenkner; 90–3 Metz; 90–11 Thunderbird Accessories; 90–39 Hart; 91–24 Esau; 92–1 Costello; 92–9 Griffin; 92–18 Bargen; 92–19 Cornwall; 92–57 Detroit Metro. Wayne County Airport; 92–74 Wendt; 92–76 Safety Equipment; 93–2 Wendt; 94–5 Grant; 94–18 Luxemburg; 94–29 Sutton; 95–12 Toyota; 95–28 Valley Air; 97–7 Stalling; 97–11 Hampton; 98–4 Larry's Flying Service.
13.212	90–11 Thunderbird Accessories; 91–2 Continental Airlines.
13.213	
13.214	91–3 Lewis.
13.215	93.28 Strohl; 94–39 Kirola.
13.216	
13.217	91–17 KDS Aviation.
13.218	89–6 American Airlines; 90–11 Thunderbird Accessories; 90–39 Hart; 92–9 Griffin; 92–73 Wyatt; 93–19 Pacific Sky Supply; 94–6 Strohl; 94–27 Larsen; 94–37 Houston; 95–18 Rayner; 96–16 WestAir; 96–24 Horizon.
13.219	89–6 American Airlines; 91–2 Continental Airlines; 91–54 Alaska Airlines; 93–37 Airspect; 94–32 Detroit Metro. Wayne Airport.
13.220	89–6 American Airlines; 90–20 Carroll; 91–8 Watts Agricultural Aviation; 91–17 KDS Aviation; 91–54 Alaska Airlines; 92–46 Sutton-Sautter.
13.221	92–29 Haggland; 92–31 Eaddy; 92–52 Cullop.
13.222	92–72 Giuffrida; 96–15 Valley Air.
13.223	91–12 & 91–31 Terry & Menne; 92–72 Giuffrida; 95–26 Hereth; 96–15 Valley Air; 97–11 Hampton; 97–31 Sanford Air; 97–32 Florida Propeller; 98–3 Fedele; 98–6 continental Airlines.
13.224	90–26 Waddell; 91–4 [Airport Operator]; 92–72 Giuffrida; 94–18 Luxemburg; 94–28 Toyota; 95–25 Conquest; 96–17 Fenner; 97–32 Florida Propeller; 98–6 Continental Airlines.
13.225	97–32 Florida Propeller.
13.226	
13.227	90–21 Carroll; 95–26 Hereth.
13.228	92–3 Park.
13.229	
13.230	92–19 Cornwall; 95–26 Hereth; 96–24 Horizon.
13.231	92–3 Park.
13.232	89–5 Schultz; 90–20 Degenhardt; 92–1 Costello; 92–18 Bargen; 92–32 Barnhill; 93–28 Strohl; 94–28 Toyota; 95–12 Toyota; 95–16 Mullhall; 96–6 Ignatov.

13.233	89–1 Gressani; 89–4 Metz; 89–5 Schultz; 89–7 Zenkner; 89–8 Thunderbird Accessories; 90–3 Metz; 90–11 Thunderbird Accessories; 90–19 Continental Airlines; 90–20 Degenhardt; 90–25 & 90–27 Gabbert; 90–35 P. Adams; 90–19 Continental Airlines; 90–39 Hart; 91–2 Continental Airlines; 91–3 Lewis; 91–7 Pardue; 91–8 Watts Agricultural Aviation; 91–10 Graham; 91–11 Continental Airlines; 91–12 Bargen; 91–24 Esau; 91–26 Britt Airways; 91–31 Terry & Menne; 91–32 Bargen; 91–43 & 91–44 Delta; 91–45 Park; 91–46 Delta; 91–47 Delta; 91–48 Wendt; 91–52 KDS Aviation; 91–53 Koller; 92–1 Costello; 92–3 Park; 92–7 West; 92–11 Alilin; 92–15 Dillman; 92–16 Wendt; 92–18 Bargen; 92–19 Cornwall; 92–27 Wendt; 92–32 Barnhill; 92–34 Carrell; 92–35 Bay Land Aviation; 92–36 Southwest Airlines; 92–39 Beck; 92–45 O'Brien; 92–52 Beck; 92–56 Montauk Caribbean Airways; 92–57 Detroit Metro. Wayne Co. Airport; 92–67 USAir; 92–69 McCabe; 92–72 Giuffrida; 92–74 Wendt; 92–78 TWA; 93–5 Wendt; 93–6 Westair Commuter; 93–7 Dunn; 93–8 Nunez; 93–19 Pacific Sky Supply; 93–23 Allen; 93–27 Simmons; 93–28 Strohl; 93–31 Allen; 93–32 Nunez; 94–9 B & G Instruments; 94–10 Boyle; 94–12 Bartusiak; 94an15 Columna; 94–18 Luxemburg; 94–23 Perez; 94–24 Page; 94–26 French Aircraft; 94–28 Toyota; 95–2 Meronek; 95–9 Woodhouse; 95–13 Kilrain; 95–23 Atlantic World Airways; 95–25 Conquest; 95–26 Hereth; 96–1 [Airport Operator; 96–2 Skydiving Center; 97–1 Midtown Neon Sign; 97–2 Sanford Air; 97–7 Stalling; 97–22 Sanford Air; 97–24 Gordon Air; 97–31 Sanford Air; 97–33 Rawlings; 97–38 Air St. Thomas; 98–4 Larry's Flying Service; 98–3 Fedele; Continental Airlines 98–6; LAX 98–7; 98–10 Rawlings.
13.234	90–19 Continental Airlines; 90–31 Carroll; 90–32 & 90–38 Continental Airlines; 91–4 [Airport Operator]; 95–12 Toyota; 96–9 [Airport Operator]; 96–23 Kilrain.
13.235	90–11 Thunderbird Accessories; 90–12 Continental Airlines; 90–15 Playter; 90–17 Wilson; 92–7 West.
Part 14	92–74 & 93–2 Wendt; 95–18 Pacific Sky Supply.
14.01	91–17 & 92–71 KDS Aviation.
14.04	91–17, 91–52 & 92–71 KDS Aviation; 93–10 Costello; 95–27 Valley Air.
14.05	90–17 Wilson.
14.12	95–27 Valley Air.
14.20	91–52 KDS Aviation; 96–22 Woodhouse.
14.22	93–29 Sweeney.
14.26	91–52 KDS Aviation; 95–27 Valley Air.
14.28	95–9 Woodhouse.
21.181	96–25 USAir.
21.303	93–19 Pacific Sky Supply; 95–18 Pacific Sky Supply.
25.787	97–30 Emery Worldwide Airlines.
25.855	92–37 Giuffrida; 97–30 Emery Worldwide Airlines.
39.3	92–10 Flight Unlimited; 94–4 Northwest Aircraft Rental.
43.3	92–73 Wyatt; 97–31 Sanford Air.
43.5	96–18 Kilrain; 97–31 Sanford Air.
43.9	91–8 Watts Agricultural Aviation; 97–31 Sanford Air; 98–4 Larry's Flying Service.
43.13	90–11 Thunderbird Accessories; 94–3 Valley Air; 94–38 Bohan; 96–3 America West Airlines; 96–25 USAir; 97–9 Alphin; 97–10 Alphin; 97–30 Emery Worldwide Airlines; 97–31 Sanford Air; 97–32 Florida Propeller.
43.15	90–25 & 90–27 Gabbert; 91–8 Watts Agricultural Aviation; 94–2 Woodhouse; 96–18 Kilrain.
65.15	92–73 Wyatt.
65.92	92–73 Wyatt.
91.7	97–8 Pacific Av. d/b/a Inter-Island Helicopters; 97–16 Mauna Kea.
91.8 (91.11 as of 8/18/90)	92–3 Park.
91.9 (91.13 as of 8/18/90)	90–15 Playter; 91–12 & 91–31 Terry & Menne; 92–8 Watkins; 92–40 Wendt; 92–48 USAir; 92–49 Richardson & Shimp; 92–47 Cornwall; 92–70 USAir; 93–9 Wendt; 93–17 Metcalf; 93–18 Westair Commuter; 93–29 Sweeney; 94–29 Sutton; 95–26 Hereth; 96–17 Fenner.
91.11	96–6 Ignatov; 97–12 Mayer; 98–12 Stout.
91.29 (91.7 as of 8/18/90)	91–8 Watts Agricultural Aviation; 92–10 Flight Unlimited; 94–4 Northwest Aircraft Rental.
91.65 (91.111 as of 8/18/90)	91–29 Sweeney; 94–21 Sweeney.
91.67 (91.113 as of 8/18/90)	91–29 Sweeney.
91.71	97–11 Hampton.
91.75 (91.123 as of 8/18/90)	91–12 & 91–31 Terry & Menne; 92–8 Watkins; 92–40 Wendt; 92–49 Richardson & Shimp, 93–9 Wendt.
91.79 (91.119 as of 8/18/90)	90–15 Playter; 92–47 Cornwall; 93–17 Metcalf.
91.87 (91.129 as of 8/18/90)	91–12 & 91–31 Terry & Menne; 92–8 Watkins.

91.103	95–26 Hereth.
91.111	96–17 Fenner.
91.113	96–17 Fenner.
91.151	95–26 Hereth.
91.173 (91.417 as of 8/18/90)	91–8 Watts Agricultural Aviation.
91.213	97–11 Hampton.
91.403	97–8 Pacific Av. d/b/a Inter-Island Helicopters; 97–31 Sanford Air.
91.405	97–16 Mauna Kea; 98–4 Larry's Flying Service.
91.407	98–4 Larry's Flying Service.
91.517	98–12 Stout.
91.703	94–29 Sutton.
105.29	98–3 Fedele.
107.1	90–19 Continental Airlines; 90–20 Degenhardt; 91–4 [Airport Operator]; 91–58 [Airport Operator]; 98–7 LAX.
107.9	98–7 LAX.
107.13	90–12 & 90–19 Continental Airlines; 91–4 [Airport Operator]; 91–18 [Airport Operator]; 91–40 [Airport Operator]; 91–41 [Airport Operator]; 91–58 [Airport Operator]; 96–1 [Airport Operator]; 97–23 Detroit Metropolitan; 98–7 LAX.
107.20	90–24 Bayer; 92–58 Hoedl; 97–20 Werle.
107.21	89–5 Schultz; 90–10 Webb; 90–22 Degenhardt; 90–23 Broyles; 90–26 & 90–43 Waddell; 90–33 Cato; 90–39 Hart; 91–3 Lewis; 91–10 Graham; 91–30 Trujillo; 91–38 Esau; 91–53 Koller; 92–32 Barnhill; 92–38 Cronberg; 92–46 Sutton-Sautter; 92–51 Koblick; 92–59 Petek-Jackson; 94–5 Grant; 94–31 Smalling; 97–7 Stalling.
107.25	94–30 Columna.
108.5	90–12, 90–18, 90–19, 91–2 & 91–9 Continental Airlines; 91–33 Delta Air Lines; 91–54 Alaska Airlines; 91–55 Continental Airlines; 92–13 & 94–1 Delta Air Lines; 94–4 American Airlines; 96–16 WestAir; 96–19 [Air Carrier].
108.7	90–18 & 90–19 Continental Airlines.
108.10	96–16 WestAir.
108.11	90–23 Broyles; 90–26 Waddell; 91–3 Lewis; 92–46 Sutton-Sautter; 94–44 American Airlines.
108.13	90–12 & 90–19 Continental Airlines; 90–37 Northwest Airlines.
108.18	98–6 Continental Airlines.
121.133	90–18 Continental Airlines.
121.153	92–48 & 92–70 USAir; 95–11 Horizon; 96–3 America West Airlines; 96–24 Horizon; 96–25 USAir; 97–21 Delta; 97–30 Emery Worldwide Airlines.
121.221	97–30 Emery Worldwide Airlines.
121.317	92–37 Giuffrida; 94–18 Luxemburg.
121.318	92.37 Giuffrida.
121.367	90–12 Continental Airlines; 96–25 USAir.
121.571	92.37 Giuffrida.
121.575	98–11 TWA.
121.577	98–11 TWA.
121.589	97–12 Mayer.
121.628	95–11 Horizon; 97–21 Delta; 97–30 Emery Worldwide Airlines.
135.1	95–8 Charter Airlines; 95–25 Conquest.
135.5	94–3 Valley Air; 94–20 Conquest Helicopters; 95–25 Conquest; 95–27 Valley Air; 96–15 Valley Air.
135.25	92–10 Flight Unlimited; 94–3 Valley Air; 95–27 Valley Air; 96–15 Valley Air.
135.63	94–40 Polynesian Airways; 95–17 Larry's Flying Service; 95–28 Atlantic; 96–4 South Aero.
135.87	90–21 Carroll.
135.95	95–17 Larry's Flying Service.
135.179	97–11 Hampton.
135.185	94–40 Polynesian Airways.
135.263	95–9 Charter Airlines; 96–4 South Aero.
135.267	95–8 Charter Airlines; 95–17 Larry's Flying Service; 96–4 South Aero.
135.293	95–17 Larry's Flying Service; 96–4 South Aero.
135.343	95–17 Larry's Flying Service.
135.411	97–11 Hampton.
135.413	94–3 Valley Air; 96–15 Valley Air; 97–8 Pacific Av. d/b/a Inter-Island Helicopters; 97–16 Mauna Kea.
135.421	93–36 Valley Air; 94–3 Valley Air; 96–15 Valley Air.
135.437	94–3 Valley Air; 96–15 Valley Air.
145.1	97–10 Alphin.
145.3	97–10 Alphin.
145.25	97–10 Alphin.
145.45	97–10 Alphin.
145.47	97–10 Alphin.
145.49	97–10 Alphin.

145.53	90–11 Thunderbird Accessories.
145.57	94–2 Woodhouse; 97–9 Alphin; 97–32 Florida Propeller.
145.61	90–11 Thunderbird Accessories.
191	90–12 & 90–19 Continental Airlines; 90–37 Northwest Airlines; 98–6 Continental Airlines.
298.1	92–10 Flight Unlimited.
302.8	90–22 USAir.

49 CFR

1.47	92–76 Safety Equipment.
171 et seq.	95–10 Diamond.
171.2	92–77 TCI; 94–28 Toyota; 94–31 Smalling; 95–16 Mulhall; 96–26 Midtown; 98–2 Carr.
171.8	92–77 TCI.
172.101	92–77 TCI; 94–28 Toyota; 94–31 Smalling; 96–26 Midtown.
172.200	92–77 TCI; 94–28 Toyota; 95–16 Mulhall; 96–26 Midtown; 98–2 Carr.
172.202	92–77 TCI; 94–28 Toyota; 94–31 Smalling; 95–16 Mulhall; 98–2 Carr.
172.203	94/28 Toyota.
172.204	92–77 TCI; 94–28 Toyota; 94–31 Smalling; 95–16 Mulhall; 98–2 Carr.
172.300	94–31 Smalling; 95–16 Mulhall; 96–26 Midtown; 98–2 Carr.
172.301	94–31 Smalling; 95–16 Mulhall; 98–2 Carr.
172.304	92–77 TCI; 94–31 Smalling; 95–16 Mulhall; 98–2 Carr.
172.400	92–77 TCI; 94–28 Toyota; 94–31 Smalling; 95–16 Mulhall; 98–2 Carr.
172.402	94–28 Toyota.
172.406	92–77 TCI.
173.1	92–77 TCI; 94–28 Toyota; 94–31 Smalling; 95–16 Mulhall; 98–2 Carr.
173.3	94–28 Toyota; 94–31 Smalling; 98–2 Carr.
173.6	94–28 Toyota.
173.22(a)	94–28 Toyota; 94–31 Smalling; 98–2 Carr.
173.24	94–28 Toyota; 95–16 Mulhall.
173.25	94–28 Toyota.
173.27	92–77 TCI.
173.62	98–2 Carr.
173.115	92–77 TCI.
173.240	92–77 TCI.
173.243	94–28 Toyota.
173.260	94–28 Toyota.
173.266	94–28 Toyota; 94–31 Smalling.
175.25	94–31 Smalling.
191.5	97–13 Westair Commuter.
191.7	97–13 Westair Commuter.
821.30	92–73 Wyatt.
821.33	90–21 Carroll.

STATUTES

5 U.S.C.:	
504	90–17 Wilson; 91–17 & 92–71 KDS Aviation; 92–74, 93–2 & 93–9 Wendt; 93–29 Sweeney; 94–17 TCI; 95–27 Valley Air; 96–22 Woodhouse.
552	90–12, 90–18 & 90–19 Continental Airlines; 93–10 Costello.
554	90–18 Continental Airlines; 90–21 Carroll; 95–12 Toyota.
556	90–21 Carroll; 91–54 Alaska Airlines.
557	90–20 Degenhardt; 90–21 Carroll; 90–37 Northwest Airlines; 94–28 Toyota.
705	95–14 Charter Airlines.
5332	95–27 Valley Air.
11 U.S.C.:	
362	92–2 Continental Airlines.
28 U.S.C.:	
2412	93–10 Costello 96–22 Woodhouse.
2462	90–21 Carroll.
49 U.S.C.:	
5123	95–16 Mulhall; 96–26 & 97–1 Midtown Neon Sign; 98–2 Carr.
40102	96–17 Fenner.
44701	96–6 Ignatov; 96–17 Fenner.
44704	96–3 America West Airlines; 96–15 Valley Air.
46110	96–22 Woodhouse; 97–1 Midtown Neon Sign.
46301	97–1 Midtown Neon Sign; 97–16 Mauna Kea; 97–20 Werle.
46303	97–7 Stalling.
49 U.S.C. App.:	

1301(31) (operate)	93–18 Westair Commuter.
(32) (person)	93–18 Westair Commuter.
1356	90–18 & 90–19, 91–2 Continental Airlines.
1357	90–18, 90–19 & 91–2 Continental Airlines; 91–41 [Airport Operator]; 91–58 [Airport Operator].
1421	92–10 Flight Unlimited; 92–48 USAir; 92–70 USAir; 93–9 Wendt.
1429	92–73 Wyatt.
1471	89–5 Schultz, 90–10 Webb; 90–20 Degenhardt; 90–12, 90–18 & 90–19 Continental Airlines; 90–23 Broyles; 90–26 & 90–43 Waddell; 90–33 Cato; 90–37 Northwest Airlines; 90–39 Hart; 91–2 Continental Airlines; 91–3 Lewis, 91–18 [Airport Operator]; 91–53 Koller; 92–5 Delta Air Lines; 92–10 Flight Unlimited; 92–46 Sutton-Sautter; 92–51 Koblick; 92–74 Wendt; 92–76 Safety Equipment; 94–20 Conquest Helicopters; 94–40 Polynesian Airways; 96–6 Ignatov; 97–7 Stalling.
1472	96–6 Ignatov.
1475	90–20 Degenhardt; 90–12 Continental Airlines; 90–18, 90–19 & 91–1 Continental Airlines; 91–3 Lewis; 91–18 [Airport Operator]; 94–40 Polynesian Airways.
1486	90–21 Carroll; 96–22 Woodhouse.
1809	92–77 TCI; 94–19 Pony Express; 94–28 Toyota; 94–31 Smalling; 95–12 Toyota.

Civil Penalty Actions—Orders Issued by the Administrator—Digests

(Current as of June 30, 1998)

The digests of the Administrator's final decisions and orders are arranged by order number, and briefly summarize key points of the decision. The following compilation of digests includes all final decisions and orders issued by the Administrator from April 1, 1998, to June 30, 1998. The FAA will publish non-cumulative supplements to this compilation on a quarterly basis (*e.g.*, April, July, October, and January of each year).

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In the Matter of Continental Airlines

Order No. 98–6 (4/7/98)

Standard of Review. Nowhere do the Rules of Practice state that the Administrator may only reverse a law judge's findings if they are ''clearly erroneous and unsupported by any evidence.'' Under the Rules, reversal may be appropriate if the law judge's findings of fact are unsupported by a preponderance of reliable, probative, and substantial evidence.

Passenger/baggage matching. The law judge erred in finding that Complainant failed to prove that Continental did not carry out its passenger/baggage match procedures. Continental admitted in a letter that it failed to perform its passenger/baggage match procedures and that it could not refute the allegations. Hence, a preponderance of the evidence indicates that Continental violated the security directive requiring passenger/baggage matching.

Sanction. It is unnecessary to delay the resolution of the case by remanding it to the law judge for sanction determination. The matter is straightforward and the record is clear. A penalty in the maximum range ($7,500 to $10,000 for large air carriers) is appropriate when an air carrier fails to comply with its security program. Due to the corrective action taken by Continental, the lowest penalty in the maximum range is appropriate. A civil penalty of $7,500 for a violation of 14 CFR 107.13(a) is assessed.

In the Matter of City of Los Angeles, Department of Airports

Order No. 98–7 (4/7/98)

Appealable Issue. LAX's appeal challenges the law judge's application of the law to the case. Thus, LAX has raised an appealable issue.

Transfer of Responsibility for Airport Security. Contrary to LAX's claim, a proposed airport security program amendment that transfers away crucial security responsibilities cannot be approved by default. Thus, LAX is responsible for the breach in airport security in the instant case, in which an unbadged FAA security agent gained access to a restricted-access elevator and the air operations area. the law judge's decision assessing a $500 civil penalty for a violation of 14 CFR 107.13(a) is affirmed.

In the Matter of Paul A. Carr

Order No. 98–8 (5/4/98)

Order No. 98–2 Modified. Footnote 27 of FAA Order No. 98–2 is modified to omit footnote 27 in which it was stated that Respondent may petition a Federal Court of Appeals for review under 49 U.S.C. 46110. The footnote is deleted because that statutory provision does not apply to hazardous materials cases initiated under 49 U.S.C. 5123 (such as this case.)

In the Matter of Continental Express

Order No. 98–9 (5/4/98)

Appeal Dismissed. Complainant and Respondent filed a joint motion to withdraw their appeals. Joint motion is granted.

In the Matter of Daniel Rawlings

Order No. 98–10 (5/8/98)

Failure to Perfect Appeal. By FAA Order No. 97–33, Mr. Rawlings was ordered to perfect his appeal by filing an appeal brief by November 25, 1997. Mr. Rawlings failed to file an appeal brief. Accordingly, Rawlings' appeal is dismissed under 14 CFR 13.233(d)(2).

In the Matter of Trans World Airlines

Order No. 98–11 (6/16/98)

Intoxicated Passenger. The law judge ruled that TWA violated 14 CFR 121.575(c), by allowing a passenger to board an aircraft although she appeared intoxicated, and 14 CFR 121.575(b)(1), by serving alcoholic beverages to her during the flight while she appeared intoxicated. Further, the law judge held that TWA violated 14 CFR 121.575(d) by failing to report the disturbance created by the apparently intoxicated passenger to the FAA, and 14 CFR 121.577(a) by taking off without first collecting a champagne glass from this passenger. TWA appeals from the law judge's findings and assessment of a $40,000 civil penalty. The Administrator denies TWA's appeal.

Constitutionality of the Appearance of Intoxication Standard. The

Administrator declines to rule on whether 14 CFR 121.575(c) and (b)(1) were unconstitutionally vague, holding that such constitutional challenges belong in a Federal court of appeals. The Administrator holds that the flight crew in this case understood the standard ''appears intoxicated'' and that the preponderance of the evidence supports the law judge's findings that TWA (1) allowed the passenger to board when she appeared intoxicated, and (2) served alcoholic beverages to this passenger when she appeared intoxicated. The evidence of an appearance of intoxication included: (1) the passenger was loud and verbally abusive to the flight attendants and her daughter; (2) the passenger was drinking alcoholic beverages on board; (3) the flight crew had a difficult time keeping the passenger in her seat; (4) the passenger at times was unable to control her anger and at other times wept in the arms of a flight attendant.

Responsibility for the Actions of Employees. The Administrator rejected TWA's argument that it should not be held responsible for the actions of its flight crew because the crew acted contrary to the regulations and TWA policy. An employer, in this case, an air carrier, is responsible for the acts or omissions of its employees acting in the scope of their employment. In this case, the flight crew was acting in the scope of their authority, but they exercised poor judgment.

Penalty. The Administrator affirms the $40,000 civil penalty.

In the Matter of David G. Stout

Order No. 98–12 (6/16/98)

Sanction in Passenger Misconduct Case. Mr. Stout refused to follow the flight attendant's repeated instructions to fasten his seat belt, and refused to return the flight attendant's security badge to her. Complainant appealed, arguing that the law judge incorrectly reduced the civil penalty from the $3,000 sought by the agency to $1,700. Complainant argues that the law judge improperly failed to defer to the FAA inspector's sanction determination and failed to consider the extent and egregiousness of Mr. Stout's misconduct. Nothing in the Rules of Practice, however, requires law judges to defer to an FAA inspector's sanction determination. The agency bears the burden of proving the appropriate sanction amount. Although Mr. Stout's behavior cannot be minimized or condoned, the sanction imposed by the law judge is consistent with precedent and is sufficient under the circumstances. The agency's appeal is denied and the law judge's decision assessing a $1,700 civil penalty is affirmed.

In the Matter of Air St. Thomas

Order No. 98–13 (6/16/98)

Reconsideration Denied. Air St. Thomas allegedly operated an aircraft on 560 air carrier flights with deactivated and partially dismantled carburetor heat systems. After Air St. Thomas failed to file both an answer and a response to the law judge's order to show cause, the law judge entered a $20,000 default judgment. Air St. Thomas then filed a notice of appeal, but it was late, leading the Administrator to dismiss Air St. Thomas's appeal. Air St. Thomas then filed a petition for reconsideration.

The Administrator granted Air St. Thomas an additional opportunity to show good cause for the lateness of its appeal, and Air St. Thomas has filed a brief explaining that its President misread the law judge's order and thought that the case against it had been dismissed. Air St. Thomas's brief also explains that its president is confused by legal matters, but chose not to hire an attorney because he thought his money would be better spent maintaining his aircraft.

Air St. Thomas has filed to show good cause for the lateness of its notice of appeal. Air St. Thomas's petition for reconsideration is denied, and a $20,000 civil penalty is assessed.

Commercial Reporting Services of the Administrator's—Civil Penalty Decisions and Orders

1. *Commercial Publications:* The Administrator's decisions and orders in civil penalty cases are available in the following commercial publications:

Civil Penalty Cases Digest Service, published by Hawkins Publishing Company, Inc., P.O. Box 480, Mayo, MD, 21106, (410) 798–1677;

Federal Aviation Decisions, Clark Boardman Callaghan, a subsidiary of West Information Publishing Company, 50 Broad Street East, Rochester, NY 14694, 1–800–221–9428.

2. *CD–ROM.* The Administrator's order and decisions are available on CD–ROM through Aeroflight Publications, P.O. Box 854, 433 Main Street, Gruver, TX 79040, (806) 733–2483.

3. *On-Line Services.* The Administrator's decisions and orders in civil penalty cases are available through the following on-line services:

- Westlaw (the Database ID is FTRAN–FAA).
- LEXIS [Transportation (TRANS) Library, FAA file.].
- Compuserve.
- FedWorld.

Docket

The FAA Hearing Docket is located at FAA Headquarters, 800 Independence Avenue, SW., Room 926A, Washington, DC 20591 (tel. no. 202–267–3641.) The clerk of the FAA Hearing Docket is Ms. Stephanie McClain. Materials contained in the dockets of any case not containing sensitive security information (protected by 14 CFR Part 191) may be viewed at the FAA Hearing Docket. All documents required to be filed in civil penalty proceedings must be filed with the FAA hearing Docket Clerk at the FAA Hearing Docket. (See 14 CFR 13.210.)

In addition, materials filed in the FAA Hearing Docket in non-security cases in which the complaints were filed on or after December 1, 1997, will also be available for inspection at the Department of Transportation Docket, located at 400 7th Street, SW, Room PL–401, Washington, DC, 20590, (tel. no. 202–366–9329.) While the originals will be retained in the FAA Hearing Docket, the DOT Docket will scan copies of documents in non-security cases in which the complaint was filed after December 1, 1997, into their computer database. Individuals who have access to the Internet can view the materials in these dockets using the following Internet address: http://dms.dot.gov.

FAA Offices

The Administrator's decisions and orders, indexes, and digests are available for public inspection and copying at the following location in FAA headquarters:

FAA Hearing Docket, Federal Aviation Administration, 800 Independence Avenue, SW., Room 924A, Washington, DC 20591; (202) 267–3641.

These materials are also available at all FAA regional and center legal offices at the following locations:

Office of the Regional Counsel for the Aeronautical Center (AMC–7), Mike Monroney Aeronautical Center, 6500 South MacArthur Blvd., Oklahoma City, OK 73125, (405) 954–3296.

Office of the Regional Counsel for the Alaskan Region (AAL–7), Alaskan Region Headquarters, 222 West 7th Avenue, Anchorage, AL 99513; (907) 271–5269.

Office of the Regional Counsel for the Central Region (ACE–7), Central Region Headquarters, 601 East 12th Street, Federal Building, Kansas City, MO 64106; (816) 426–5446.

Office of the Regional Counsel for the Eastern Region (AEA–7), Eastern Region

Headquarters, JFK International Airport, Federal Building, Jamaica, NY 11430; (718) 553–3285.

Office of the Regional Counsel for the Great Lakes Region (AGL–7), 2300 East Devon Avenue, Suite 419, Des Plaines, IL 60018; (708) 294–7108.

Office of the Regional Counsel for the New England Region (ANE–7), New England Region Headquarters, 12 New England Executive Park, Room 401, Burlington, MA 01803–5299; (617) 238–7050.

Office of the Regional Counsel for the Northwest Mountain Region (ANM–7), Northwest Mountain Region Headquarters, 1601 Lind Avenue, SW, Renton, WA 98055–4056; (206) 227–2007.

Office of the Regional Counsel for the Southern Region (ASO–7), Southern Region Headquarters, 1701 Columbia Avenue, College Park, GA 30337; (404) 305–5200.

Office of the Regional Counsel for the Southwest Region (ASW–7), Southwest Region Headquarters, 2601 Meacham Blvd., Forth Worth TX 76137–4298; (817) 222–5087.

Office of the Regional Counsel for the Technical Center (ACT–7), Federal Aviation Administration Technical Center, Atlantic City International Airport, Atlantic City, NJ 08405; (609) 485–7087.

Office of the Regional Counsel for the Western-Pacific Region (AWP–7), Western-Pacific Region Headquarters, 15000 Aviation Boulevard, Lawndale, CA 90261; (310) 725–7100.

Issued in Washington, DC on July 6, 1998.

James S. Dillman,

Assistant Chief Counsel.

[FR Doc. 98–18706 Filed 7–10–98; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Summary Notice No. PE–98–14]

Petitions for Exemption; Summary of Petitions Received; Dispositions of Petitions Issued

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of petitions for exemption received and of dispositions of prior petitions.

SUMMARY: Pursuant to FAA's rulemaking provisions governing the application, processing, and disposition of petitions for exemption (14 CFR Part 11), this notice contains a summary of certain petitions seeking relief from specified requirements of the Federal Aviation Regulations (14 CFR Chapter I), dispositions of certain petitions previously received, and corrections. The purpose of this notice is to improve the public's awareness of, and participation in, this aspect of FAA's regulatory activities. Neither publication of this notice nor the inclusion or omission of information in the summary is intended to affect the legal status of any petition or its final disposition.

DATES: Comments on petitions received must identify the petition docket number involved and must be received on or before August 3, 1998.

ADDRESSES: Send comments on any petition in triplicate to: Federal Aviation Administration, Office of the Chief Counsel, Attn: Rule Docket (AGC–200), Petition Docket No. _____, 800 Independence Avenue, SW., Washington, DC 20591.

Comments may also be sent electronically to the following internet address: 9–NPRM–CMTS@faa.dot.gov.

The petition, any comments received, and a copy of any final disposition are filed in the assigned regulatory docket and are available for examination in the Rules Docket (AGC–200), Room 915G, FAA Headquarters Building (FOB 10A), 800 Independence Avenue, SW., Washington, DC 20591; telephone (202) 267–3132.

FOR FURTHER INFORMATION CONTACT: Tawana Matthews (202) 267–9783 or Terry Stubblefield (202) 267–7624, Office of Rulemaking (ARM–1), Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591.

This notice is published pursuant to paragraphs (c), (e), and (g) of § 11.27 of Part 11 of the Federal Aviation Regulations (14 CFR Part 11)

Issued in Washington, DC, on July 8, 1998.

Donald P. Byrne,

Assistant Chief Counsel for Regulations.

Petitions For Exemption

Docket No.: 29230.

Petitioner: Delta Air Lines, Inc.

Sections of the FAR Affected: 14 CFR 121.417(c)(2)(i)(A).

Description of Relief Sought: To permit Delta to use pictorial and text-based differences training in lieu of hands-on training to accomplish the training and qualification of crewmembers on Type III emergency automatic overwing exits installed on the Boeing 737–800 aircraft, when the crewmembers previously have been trained and qualified on Type III emergency manual overwing exits installed on other versions of Boeing 737 aircraft.

Dispositions of Petitions

Docket No.: 29239.

Petitioner: Bombardier Aerospace.

Sections of the FAR Affected: 14 CFR 25.571(e)(1).

Description of Relief Sought/ Disposition: To permit use of "V_c at sea level or .85 V_c at 8,000 feet, whichever is greater," instead of the current § 25.571(e)(1) requirement to test from "V_c at sea level to V_c at 8,000 feet."

Grant, June 25, 1998, Exemption No. 6790.

Docket No.: 28574.

Petitioner: Federal Express Corporation.

Sections of the FAR Affected: 14 CFR 121.434(c)(1)(ii).

Description of Relief Sought/ Disposition: To permit FedEx to use qualified and authorized check airmen, in lieu of an FAA inspector, to observe a qualifying pilot in command who is completing the initial or upgrade training specified in § 121.424 during at least one flight leg that includes a takeoff and a landing.

Grant, June 26, 1998, Exemption No. 6473A.

Docket No.: 28529.

Petitioner: Atlantic Aero, Inc.

Sections of the FAR Affected: 14 CFR 135.143(c)(2).

Description of Relief Sought/ Disposition: To permit Atlantic Aero Inc., and any part 135 operator who rents, leases, or otherwise uses any aircraft identified in Exemption No. 6459, as amended, to operate its aircraft without a TSO–C112 (Mode S) transponder installed. This exemption also allows Atlantic to operate any aircraft for which the installation of a TSO–74b or TSO–C74c ATC transponder is needed, provided the Principal Operations Inspector is notified.

Grant, June 26, 1998, Exemption No. 6459B.

Docket No.: 27294.

Petitioner: Air Transport Association of America.

Sections of the FAR Affected: 14 CFR 121.309(f)(2).

Description of Relief Sought/ Disposition: To permit ATA-member airlines to locate the aft megaphone at door 4-left on their Boeing 747 aircraft.

Grant, June 29, 1998, Exemption No. 6140B.

Docket No.: 23492.

Petitioner: United States Hang Gliding Association, Inc.

Sections of the FAR Affected: 14 CFR 103.1(a) and (b).

Description of Relief Sought/ Disposition: To permit individuals authorized by USHGA to operate unpowered ultralight vehicles (hang gliders) weighing less than 155 pounds, with another occupant, for the purpose of sport, training or recreation.

Grant, June 26, 1998, Exemption No. 4721F.

Docket No.: 28173.

Petitioner: Bemidji Aviation Services, Inc.

Sections of the FAR Affected: 14 CFR 135.143(c)(2).

Description of Relief Sought/Disposition: To permit the petitioner to operate its Beech 99 aircraft without a TSO–C112 (Mode S) transponder installed. This exemption also allows BAS to operate any aircraft for which the installation of a TSO–73b or TSO–C74C ATC transponder is needed.

Grant, June 26, 1998, Exemption No. 6110A.

Docket No.: 29156.

Petitioner: Firelands Museum of Military History.

Sections of the FAR Affected: 14 CFR 91.319, 119.5(g), and 119.25(b).

Description of Relief Sought/Disposition: To permit the petitioner to operate its former military Huey helicopters, which are certificated in the experimental category, for the purpose of carrying passengers on local flights for compensation of hire, subject to certain conditions and limitations.

Grant, July 1, 1998, Exemption No. 6792.

[FR Doc. 98–18708 Filed 7–13–98; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Notice of Intent to Rule on Application to Impose and Use the Revenue From a Passenger Facility Charge (PFC) at the Huntsville International Airport, Huntsville, AL

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of Intent to Rule on Application.

SUMMARY: The FAA proposes to rule and invites public comment on the application to impose and use the revenue from a PFC at the Huntsville International Airport under the provisions of the Aviation Safety and Capacity Expansion Act of 1990 (Title IX of the Omnibus Budget Reconciliation Act of 1990) (Public Law 101–508) and Part 158 of the Federal Aviation Regulations (14 CFR Part 158).

DATES: Comments must be received on or before August 13, 1998.

ADDRESSES: Comments on this application may be mailed or delivered in triplicate to the FAA at the following address: FAA/Airports District Office, 120 North Hangar Drive, Suite B, Jackson, Mississippi 39208–2306.

In addition, one copy of any comments submitted to the FAA must be mailed or delivered to Mr. Luther H. Roberts, Jr., AAE, Deputy Director of the Huntsville Madison County Airport Authority at the following address: 1000 Glenn Hearn Boulevard, Box 20008, Huntsville, AL 35824.

Air carriers and foreign air carriers may submit copies of written comments previously provided to the Huntsville Madison County Airport Authority under section 158.23 of Part 158.

FOR FURTHER INFORMATION CONTACT: Mr. Roderick T. Nicholson, Airports Area Representative, FAA Airports District Office, 120 North Hangar Drive, Suite B, Jackson, Mississippi 39208–2306, telephone number 601–965–4628. The application may be reviewed in person at this same location.

SUPPLEMENTARY INFORMATION: The FAA proposes to rule and invites public comment on the application to impose and use the revenue from a PFC at the Huntsville International Airport under the provisions of the Aviation Safety and Capacity Expansion Act of 1990 (Title IX of the Omnibus Budget Reconciliation Act of 1990) (Public Law 101–508) and Part 158 of the Federal Aviation Regulations (14 CFR part 158).

On July 7, 1998, the FAA determined that the application to impose and use the revenue from a PFC submitted by the Huntsville Madison County Airport Authority was substantially complete within the requirements of section 158.25 of Part 158. The FAA will approve or disapprove the application, in whole or in part, no later than October 8, 1998.

The following is a brief overview of the application.

PFC Application Number: 98–08–C–00–HSV.

Level of the proposed PFC: $3.00.

Proposed charge effective date: 6/01/1992.

Proposed charge expiration date: 6/30/2010.

Total estimated PFC revenue: $7,873,192.

Brief description of proposed project(s): Land Acquisition, Snow Removal Equipment; Security/Access Control System Upgrade; Air Cargo Apron Expansion; Rotating Beacon Refurbishment; Airfield Sweeper/Vacuum; Airport Rescue Fire Fighting Building Renovations; General Aviation Apron Expansion and Rehabilitation; Security Vehicle; Pick-Up for Snow Plow Usage; and Communications Center Relocation and Upgrade.

Class or classes of air carriers which the public agency has requested not be required to collect PFCs: Any Air Taxi/Commercial Operator (ATCO), Certified Air Carriers (CAC) and Certified Route Air Carriers (CRAC) having fewer than 500 annual enplanements.

Any person may inspect the application in person at the FAA office listed above under **FOR FURTHER INFORMATION CONTACT**. In addition, any person may, upon request, inspect the application, notice and other documents germane to the application in person at the Huntsville Madison County Airport Authority.

Issued in Jackson, Mississippi, on July 7, 1998.

Wayne Atkinson,

Manager, Airports District Office, Southern Region, Jackson, Mississippi.

[FR Doc. 98–18707 Filed 7–13–98; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33628]

Fort Worth and Western Railroad Company—Trackage Rights Exemption—The Burlington Northern and Santa Fe Railway Company

The Burlington Northern and Santa Fe Railway Company (BNSF) has agreed to grant overhead trackage rights to Fort Worth and Western Railroad Company (FWWR) over BNSF's rail line in Fort Worth, TX, between milepost 2.08 and milepost 4.67, a distance of 2.59 miles.

The transaction was scheduled to be consummated on or soon after July 3, 1998, the effective date of the exemption.

The purpose of the overhead trackage rights is to allow FWWR to directly interchange traffic with Union Pacific Railroad Company (UP) in Peach Yard (milepost 2.08), thereby improving service, financial viability, and operations.

As a condition to this exemption, any employees affected by the trackage rights will be protected by the conditions imposed in *Norfolk and Western Ry. Co.—Trackage Rights—BN*, 354 I.C.C. 605 (1978), as modified in *Mendocino Coast Ry., Inc.—Lease and Operate*, 360 I.C.C. 653 (1980).

This notice is filed under 49 CFR 1180.2(d)(7). If the notice contains false or misleading information, the exemption is void *ab initio.* Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33628, must be filed with

the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, NW, Washington, DC 20423–0001. In addition, a copy of each pleading must be served on Kevin M. Sheys, Oppenheimer Wolff Donnelly & Bayh LLP, 1350 Eye Street, NW Suite 200, Washington, DC 20005–3324.

Board decisions and notices are available on our website at ''WWW.STB.DOT.GOV.''

Decided: July 6, 1998.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams,

Secretary.

[FR Doc. 98–18726 Filed 7–13–98; 8:45 am]

BILLING CODE 4915–00–P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33579]

Gauley River Railroad, LLC—Purchase, Lease and Operation Exemption—CSX Transportation, Inc.

Gauley River Railroad, LLC (GRIV), a noncarrier, has filed a notice of exemption under 49 CFR 1150.31 to purchase from CSX Transportation, Inc. (CSXT) and operate approximately 30.7 miles of rail line in West Virginia.[1] GRIV will acquire two rail line segments: (1) between milepost BUE–119 (Valuation Station 5035+89.6) near Cowen, WV, and milepost BUE–129 (Valuation Station 5563+89.6) at Allingdale, WV (Line A) and (2) between milepost BUE–12.4 (Valuation Station 1096+48.2) at Muddlety Falls, WV, and milepost BUE–20.7 (Valuation Station 1092+45), including the McMillion Creek Branch, Delmont Branch, and all other connecting spur and sidetracks (Line C). GRIV will also sublease from CSXT a third line segment, which connects or bridges together Line A and Line C, extending from milepost BUE–0.0 (Valuation Station 441+43) at Allingdale, WV, to milepost BUE–12.4 (Valuation Station 649+86.8) at Muddlety Falls, WV (Line B). Line B serves as a connecting stretch of railroad linking together Lines A, B, and C.[2]

The transaction was expected to be consummated on or shortly after June 25, 1998.

[1] GRIV certifies that its projected revenues will not exceed those that would qualify it as a Class III carrier.

[2] Line B is currently owned by Strouds Creek and Muddlety Railroad (SC&M). SC&M leases the line to CSXT. According to CSXT's lease agreement with SC&M, CSXT is permitted to enter into the contemplated sublease.

If the verified notice contains false or misleading information, the exemption is void *ab initio.* Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33579, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, NW, Washington, DC 20423–0001. In addition, one copy of each pleading must be served on Keith G. O'Brien, Esq., Rea, Cross & Auchincloss, Suite 570, 1707 L Street, NW, Washington, DC 20036.

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Decided: July 6, 1998.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams,

Secretary.

[FR Doc. 98–18725 Filed 7–13–98; 8:45 am]

BILLING CODE 4915–00–P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33624]

Mississippi & Tennessee RailNet, Inc.—Acquisition and Operation Exemption—The Kansas City Southern Railway Company

Mississippi & Tennessee RailNet, Inc. (MTRN), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to acquire and operate approximately 87.1 miles of rail line and approximately 7.53 miles of spur and side tracks from The Kansas City Southern Railway Company between milepost 281.5 at Houston, MS, and milepost 368.6 at Middleton, TN.[1]

The transaction was scheduled to be consummated on or shortly after June 26, 1998.

This transaction is related to STB Finance Docket No. 33625, *North American RailNet, Inc.,—Continuance in Control Exemption—Mississippi & Tennessee RailNet, Inc.,* wherein North American RailNet, Inc. will continue in control of MTRN upon its becoming a Class III rail carrier.

If the verified notice contains false or misleading information, the exemption is void *ab initio.* Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke does not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33624, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, NW, Washington, DC 20423–0001. In addition, a copy of each pleading must be served on Robert A. Wimbish, Esq., Rea, Cross, & Auchincloss, 1707 L Street, NW, Suite 750, Washington, DC 20036.

Board decisions and notices re available on our website at ''WWW.STB.DOT.GOV.''

Decided: July 6, 1998.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams,

Secretary.

[FR Doc. 98–18569 Filed 7–13–98; 8:45 am]

BILLING CODE 4915–00–M

[1] MTRN states that its projected revenues will not exceed those that would qualify it as a Class III rail carrier and its revenues are not projected to exceed $5 million.

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33625]

North American RailNet, Inc.—Continuance in Control Exemption—Mississippi & Tennessee RailNet, Inc

North American RailNet, Inc. (NARN), has filed a verified notice of exemption to continue in control of Mississippi & Tennessee RailNet, Inc. (MTRN), upon MTRN becoming a Class III railroad.

The transaction was scheduled to be consummated on or shortly after June 26, 1998.

This transaction is related to STB Finance Docket No. 33624, *Mississippi & Tennessee RailNet, Inc.—Acquisition and Operation Exemption—The Kansas City Southern Railway Company,* wherein MTRN seeks to acquire and operate a rail line from The Kansas City Southern Railway Company.

NARN controls three existing Class III railroads; Nebraska, Kansas & Colorado RailNet, Inc., operating in Nebraska, Kansas, and Colorado; Illinois RailNet, Inc., operating in Illinois; and Camas Prairie RailNet, Inc., operating in Mississippi and Tennessee.

NARN states that: (i) The rail lines operated by MTRN do not connect with any railroad in the corporate family; (ii) the transaction is not part of a series of anticipated transactions that would connect MTRN's lines with any railroad in the corporate family; and (iii) the transaction does not involve a Class I carrier. Therefore, the transaction is

exempt from the prior approval requirements of 49 U.S.C. 11323. *See* 49 CFR 1180.2(d)(2).

Under 49 U.S.C. 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Section 11326(c), however, does not provide for labor protection for transactions under sections 11324 and 11325 that involve only Class III rail carriers. Because this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

If the verified notice contains false or misleading information, the exemption is void *ab initio.* Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33625, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, NW, Washington, DC 20423–0001. In addition, a copy of each pending must be served on Robert A. Wimbish, Esq., Rea, Cross, & Auchincloss, 1707 L Street, NW, Suite 570, Washington, DC 20036.

Board decisions and notices are available on our website at ''WWW.STB.DOT.GOV.''

Decided: July 6, 1998.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams,

Secretary.

[FR Doc. 98–18568 Filed 7–13–98; 8:45 am]

BILLING CODE 4915–00–M

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Pub. L. 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Bond—Export Warehouse Proprietor, Export Bond—Customs Bonded Cigar Manufacturing Warehouse, Extension of Coverage of Bond, Bond Under 26 U.S.C 6423, Manufacturer of Tobacco Products.

DATES: Written comments should be received on or before September 14, 1998 to be assured of consideration.

ADDRESSES: Direct all written comments to Linda Barnes, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Cliff Mullen, Regulations Division, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8181.

SUPPLEMENTARY INFORMATION:

Title: Bond—Export Warehouse Proprietor, ATF F 2103 (5220.5), Export Bond—Customs Bonded Cigar Manufacturing Warehouse, ATF F 2104 (5200.15), Extension of Coverage of Bond, ATF F 2105 (5000.7), Bond Under 26 U.S.C. 6423, ATF F 2490 (5620.10), Bond—Manufacturer of Tobacco Products, ATF F 3070 (5210.13)

OMB Number: 1512–0534.

Form Number: See Titles.

Abstract: These forms provide an efficient method of collecting the required information for the excise tax on wine, and provide a statutory system of controls for securing payment of taxes properly due. The recordkeeping requirement for this information collection is 2 years.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 15.

Estimated Time Per Respondent: 1 hour and 40 minutes.

Estimated Total Annual Burden Hours: 25.

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 shall 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 technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Dated: June 29, 1998.

Steve L. Mathis,

Acting Assistant Director (Management)/CFO.

[FR Doc. 98–18521 Filed 7–13–98; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Marks and Notices on Packages of Tobacco Products.

DATES: Written comments should be received on or before September 14, 1998 to be assured of consideration.

ADDRESSES: Direct all written comments to Linda Barnes, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Cliff Mullen, Regulations Division, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8181.

SUPPLEMENTARY INFORMATION:

Title: Marks on Notices on Packages of Tobacco Products.

OMB Number: 1512–0532.

Recordkeeping Requirement ID Number: ATF REC 5210/13.

Abstract: This information collection requires the manufacturer, or exporter to

place a mark and notice indicating the tax classification and quantity on packages, cases or containers. Statutory authority for labeling and marking requirements pertaining to tobacco products is set forth in 26 U.S.C. 5723. There is a need for this information to appear on packages of tobacco products to assure effective administration of the Federal excise taxes imposed on tobacco products. There is no recordkeeping or reporting burden imposed on the proprietors.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 120.

Estimated Time Per Respondent: 0.

Estimated Total Annual Burden Hours: 1.

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 shall 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.

Dated: June 29, 1998.

Steve L. Mathis,

Assistant Director (Management)/CFO.

[FR Doc. 98–18522 Filed 7–13–98; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Application for Registration of Firearms Acquired By Certain Governmental Entities.

DATES: Written comments should be received on or before September 14, 1998 to be assured of consideration.

ADDRESSES: Direct all written comments to Linda Barnes, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to William O'Brien, National Firearms Act Branch, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8508.

SUPPLEMENTARY INFORMATION:

Title: Application for Registration of Firearms Acquired By Certain Governmental Entities

OMB Number: 1512–0029

Form Number: ATF F 10 (5320.10)

Abstract: ATF F 10 (5320.10) is used by State and local government agencies to effect the registration of otherwise unregisterable National Firearms Act (NFA) firearms. The information on the form is verified by ATF personnel in the processing of the application to ensure that an unregistered NFA firearm is being registered and that the applicant is a government agency eligible to possess the firearm.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension

Affected Public: Federal Government, State, Local or Tribal Government

Estimated Number of Respondents: 600

Estimated Time Per Respondent: 30 minutes

Estimated Total Annual Burden Hours: 300

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 shall 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.

Dated: June 24, 1998.

William T. Earle,

Assistant Director (Management)/CFO.

[FR Doc. 98–18523 Filed 7–13–98; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Application for Tax-Exempt Transfer of Firearm and Registration to Special (Occupational) Taxpayer (Title 26, U.S.C. Chapter 53).

DATES: Written comments should be received on or before September 14, 1998 to be assured of consideration.

ADDRESSES: Direct all written comments to Linda Barnes, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to William O'Brien, National Firearms Act Branch, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8508.

SUPPLEMENTARY INFORMATION:

Title: Application for Tax-Exempt Transfer of Firearm and Registration to Special (Occupational) Taxpayer (Title 26, U.S.C. Chapter 53).

OMB Number: 1512–0026.

Form Number: ATF F 3 (5320.3).

Abstract: This application allows a special taxpayer firearms licensee to transfer a National Firearms Act firearm without payment of tax to another eligible special taxpayer upon approval of ATF. The data is used to establish the eligibility of the transferor to transfer, and the transferee to receive, the firearms described.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Individuals or households, Business or other for-profit, State, Local or Tribal Government.

Estimated Number of Respondents: 22,579.

Estimated Time Per Respondent: 30 minutes.

Estimated Total Annual Burden Hours: 112,895.

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 shall 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.

Dated: June 24, 1998.

William T. Earle,

Assistant Director (Management)/CFO.

[FR Doc. 98–18524 Filed 7–13–98; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Administrative Remedies, Closing Agreements.

DATES: Written comments should be received on or before September 14, 1998 to be assured of consideration.

ADDRESSES: Direct all written comments to Linda Barnes, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Teri Byers, Revenue Operations Branch, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8195.

SUPPLEMENTARY INFORMATION:

Title: Administrative Remedies, Closing Agreements.

OMB Number: 1512–0528.

Abstract: 26 U.S.C. 7121 authorizes the Bureau of Alcohol, Tobacco and Firearms to prescribe regulations for entering into an agreement in writing with any person relating to any tax liability of such person imposed under 26 U.S.C. which is enforced and administered by ATF. Closing agreements may be related to the total tax liability of the taxpayer or to one or more separate items affecting the tax liability.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 1.

Estimated Time Per Respondent: 1 hour.

Estimated Total Annual Burden Hours: 1.

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 shall 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.

Dated: June 24, 1988.

William T. Earle,

Assistant Director (Management)/CFO.

[FR Doc. 98–18525 Filed 7–13–98; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Bond Covering Removal To and Use of Wine at Vinegar Plant.

DATES: Written comments should be received on or before September 14, 1998 to be assured of consideration.

ADDRESSES: Direct all written comments to Linda Barnes, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or

copies of the form(s) and instructions should be directed to Barry Fields, Regulations Division, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8522.

SUPPLEMENTARY INFORMATION:

Title: Bond Covering Removal To and Use of Wine at Vinegar Plant.

OMB Number: 1512–0529.

Form Number: ATF F 1676 (5510.2).

Abstract: ATF F 1676 (5510.2) is a bond form which serves as a contact between the proprietor of a vinegar plant and a surety. The bond coverage stated on the form is in an amount sufficient to cover the federal excise tax on wine in transit to and stored on the vinegar plant premises until the wine becomes vinegar.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 25.

Estimated Time Per Respondent: 1 hour.

Estimated Total Annual Burden Hours: 25.

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 shall 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.

Dated: June 24, 1998.

William T. Earle,

Assistant Director (Management)/CFO.

[FR Doc. 98–18526 Filed 7–13–98; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Proprietors or Claimants Exporting Liquors.

DATES: Written comments should be received on or before September 14, 1998 to be assured of consideration.

ADDRESSES: Direct all written comments to Linda Barnes, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Barry Fields, Regulations Division, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8522.

SUPPLEMENTARY INFORMATION:

Title: Proprietors or Claimants Exporting Liquors.

OMB Number: 1512–0385.

Recordkeeping Requirement ID Number: ATF REC 5900/1.

Abstract: Distilled spirits, wine and beer may be exported from bonded premises without payment of excise taxes or they may be exported if their taxes have been paid and the exporters may claim drawback of the taxes paid. This recordkeeping requirement is needed to allow the amounts exported to be verified and to maintain accountability over products. The records retention requirement for this information collection is 2 years.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 120.

Estimated Time Per Respondent: 60 hours per year.

Estimated Total Annual Burden Hours: 7,200.

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 shall 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.

Dated: June 24, 1998.

William T. Earle,

Assistant Director (Management)/CFO.

[FR Doc. 98–18527 Filed 7–13–98; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Wholesale Dealers Records of Receipt of Alcoholic Beverages, Disposition of Distilled Spirits, and Monthly Summary Report.

DATES: Written comments should be received on or before September 14, 1998, to be assured of consideration.

ADDRESSES: Direct all written comments to Linda Barnes, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Charles N. Bacon, Regulations Division, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8528.

SUPPLEMENTARY INFORMATION:

Title: Wholesale Dealers Records of Receipt of Alcoholic Beverages, Disposition of Distilled Spirits, and Monthly Summary Report.

OMB Number: 1512–0353.

Recordkeeping Requirement ID Number: ATF REC 5170/2.

Abstract: ATF uses these records and reports as an accounting tool to ensure protection of the revenue. Records of receipt and disposition are the basic documents that describe the activities of wholesale dealers. They provide an audit trail of taxable commodities from point of production to point of sale. Records of disposition are required only for distilled spirits. ATF requires the monthly report only in exceptional circumstances to ensure that a particular wholesale dealer is maintaining the required records. The records retention requirement is 3 years.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 50.

Estimated Time Per Respondent: 2 hours per month.

Estimated Total Annual Burden Hours: 1,200.

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 shall 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.

Dated: June 24, 1998.

Wiliam T. Earle,

Assistant Director (Management)/CFO.

[FR Doc. 98–18528 Filed 7–13–98; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Manufacturers of Nonbeverage Products—Records to Support Claims for Drawback.

DATES: Written comments should be received on or before September 14, 1998, to be assured of consideration.

ADDRESSES: Direct all written comments to Linda Barnes, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Steve Simon, Regulations Division, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8522.

SUPPLEMENTARY INFORMATION:

Title: Manufacturers of Nonbeverage Products—Records to Support Claims for Drawback

OMB Number: 1512–0379.

Recordkeeping Requirement ID Number: ATF REC 5530/2.

Abstract: The recordkeeping requirements included in ATF REC 5530/2 are part of the system that is necessary to prevent diversion of drawback spirits to beverage use. The records are necessary to maintain accountability over these spirits. The record retention requirement for this information collection is 3 years.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 611.

Estimated Time Per Respondent: 21 hours per year.

Estimated Total Annual Burden Hours: 12,831.

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 shall 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.

Dated: June 24, 1998.

William T. Earle,

Assistant Director (Management)/CFO.

[FR Doc. 98–18529 Filed 7–13–98; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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/or continuing information collections, as required by the Paperwork Reduction Act of 1995,

Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Application for Restoration of Firearms and/or Explosives Privileges.

DATES: Written comments should be received on or before September 14, 1998, to be assured of consideration.

ADDRESSES: Direct all written comments to Linda Barnes, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Vivian Pena, Firearms Programs Division, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–7770.

SUPPLEMENTARY INFORMATION:

Title: Application for Restoration of Firearms and/or Explosives Privileges.

OMB Number: 1512–0005.

Form Number: ATF F 3210.1.

Abstract: The information on the form is required in order to determine whether or not firearms and/or explosives privileges may be restored. It is used to conduct an investigation to establish if it is likely that the applicant will act in a manner dangerous to public safety or contrary to public interest.

Current Actions: The form has been revised to include 2 new questions under section 17. APPLICANT DATA. and a further explanation of those questions in a new section, Important Notices, 1. and 2. Also, the mailing address for forwarding the completed form has changed.

Type of Review: Extension.

Affected Public: Individuals or households, Business or other for-profit.

Estimated Number of Respondents: 5,000.

Estimated Time Per Respondent: 30 minutes.

Estimated Total Annual Burden Hours: 2,500.

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 shall 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.

Dated: July 7, 1998.

William T. Earle,

Assistant Director (Management)/CFO.

[FR Doc. 98–18530 Filed 7–13–98; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Consignment of Tobacco Products and Cigarettes Papers and Tubes Export Shipments.

DATES: Written comments should be received on or before September 14, 1998, to be assured of consideration.

ADDRESS: Direct all written comments to Linda Barnes, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Cliff Mullen, Regulations Branch, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8181.

SUPPLEMENTARY INFORMATION:

Title: Consignment of Tobacco Products and Cigarette Papers and Tubes Export Shipments.

OMB Number: 1512–0531.

Recordkeeping Requirement ID Number: ATF REC 5210/1.

Abstract: Tobacco products have historically been a major source of excise tax revenues for the Federal government. In order to safeguard these taxes, members of the regulated tobacco industry are required to maintain a system of records designed to establish accountability over the tobacco products manufactured. The recordkeeping requirement for this information collection is 2 years.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Business or other for profit.

Estimated Number of Respondents: 314.

Estimated Time Per Respondent: 15 minutes.

Estimated Total Annual Burden Hours: 21,195.

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 shall 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.

Date: June 29, 1998.

Steve L. Mathis,

Assistant Director (Management)/CFO.

[FR Doc. 98–18531 Filed 7–13–98; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Drawback of Tax on Tobacco Products and Cigarette Papers and Tubes—Export Shipment.

DATES: Written comments should be received on or before September 14, 1998, to be assured of consideration.

ADDRESSES: Direct all written comments to Linda Barnes, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Cliff Mullen, Regulations Division, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8181.

SUPPLEMENTARY INFORMATION:

Title: Drawback of Tax on Tobacco Products and Cigarette Papers and Tubes—Export Shipment.

OMB Number: 1512–0533.

Recordkeeping Requirement ID Number: ATF REC 5210/2.

Abstract: Tobacco products have historically been a major source of excise tax revenues for the Federal government. In order to safeguard these taxes, tobacco products manufacturers are required to maintain a system of records designed to establish accountability over the tobacco products and cigarette papers and tubes. Exporters of tobacco products and cigarette papers and tubes on which they have paid tax may claim drawback of tax by complying with the requirements of laws and regulations. The records retention period is 3 years.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 1.

Estimated Time Per Respondent: 5.

Estimated Total Annual Burden Hours: 5.

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 shall 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 tecnology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Dated: June 29, 1998.

Steve L. Mathis,

Acting Assistant Director (Management)/CFO.

[FR Doc. 98–18532 Filed 7–13–98; 8:45 am]

BILLING CODE 4810–31–U

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Offer In Compromise of Liability Incurred Under the Federal Alcohol Administration Act.

DATES: Written comments should be received on or before September 14, 1998 to be assured of consideration.

ADDRESSES: Direct all written comments to Linda Barnes, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Rosa Jeter, Market Compliance Branch, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8130.

SUPPLEMENTARY INFORMATION:

Title: Offer In Compromise of Liability Incurred Under the Federal Alcohol Administration Act.

OMB Number: 1512–0222.

Form Number: ATF F 5640.2.

Abstract: In 1935, Congress passed the Federal Alcohol Administration Act (FAA Act). Persons who have committed violations of the FAA Act may submit an offer in compromise. The offer is a request by the party in violation to compromise penalties for the violations in lieu of civil or criminal action. ATF F 5640.2 identifies the violation(s) to be compromised by the person committing them, the amount of the offer plus a justification for acceptance of the offer.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 12.

Estimated Time Per Respondent: 2 hours.

Estimated Total Annual Burden Hours: 24.

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 shall 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.

Date: June 29, 1998.

Steve L. Mathis,

Acting Assistant Director (Management)/CFO.

[FR Doc. 98–18533 Filed 7–13–98; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Formula and Process for Nonbeverage Product.

DATES: Written comments should be received on or before September 14, 1998 to be assured of consideration.

ADDRESSES: Direct all written comments to Linda Barnes, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Steve Simon, Regulations Division, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8183.

SUPPLEMENTARY INFORMATION:

Title: Formula and Process for Nonbeverage Product.

OMB Number: 1512–0095.

Form Number: ATF F 5154.1.

Abstract: The information collected on ATF F 5154.1 is used by ATF laboratory personnel to determine whether the product described on the form is eligible for nonbeverage drawback. This determination is made once for each formula that is submitted. Records must be kept as long as claims are filed under the formula, and for 3 years thereafter.

Current Actions: There are no changes to this information collection and it is being submitted for extension purposes only.

Type of Review: Extension.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 611.

Estimated Time Per Respondent: 30 minutes.

Estimated Total Annual Burden Hours: 2,500.

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 shall 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.

Dated: June 29, 1998.

Steve L. Mathis,

Acting Assistant Director (Management)/CFO.

[FR Doc. 98–18534 Filed 6–13–98; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

Proposed Collection; Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the Bureau of Alcohol, Tobacco and Firearms within the Department of the Treasury is soliciting comments concerning the Annual Report of Concentrate Manufacturers and Usual and Customery Business Records—Volatile Fruit-Flavor Concentrate Plants.

DATES: Written comments should be received on or before September 14, 1998 to be assured of consideration.

ADDRESSES: Direct all written comments to Linda Barnes, Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8930.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form(s) and instructions should be directed to Cliff Mullen, Regulations Division, 650 Massachusetts Avenue, NW., Washington, DC 20226, (202) 927–8181.

SUPPLEMENTARY INFORMATION:

Title: Annual Report of Concentrate Manufacturers and Usual and Customary Business Records—Volatile Fruit-Flavor Concentrate Plants.

OMB Number: 1512–0098.

Form Number: ATF F 5520.2.

Recordkeeping Requirement ID Number: ATF REC 5520/1.

Abstract: Manufacturers of volatile fruit-flavor concentrate must provide reports as necessary to insure the protection of the revenue. The report accounts for all concentrates manufactured, removed, or treated so as to be unfit for beverage use. The information is required to verify that alcohol is not being diverted thereby jeopardizing tax revenues. Records and reports will be retained by the proprietor for 3 years from the date they were prepared, or 3 years from the date of the last entry, whichever is later.

Current Actions: There has been a small increase in the number of respondents which results in an increase in burden hours.

Type of Review: Extension.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 91.

Estimated Time Per Respondent: 20 minutes.

Estimated Total Annual Burden Hours: 30.

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 shall 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.

Dated: June 29, 1998.

Steve L. Mathis,

Acting Assistant Director (Management)/CFO.

[FR Doc. 98–18535 Filed 7–13–98; 8:45 am]

BILLING CODE 4810–31–P

UNITED STATES INFORMATION AGENCY

Culturally Significant Objects Imported for Exhibition

AGENCY: United States Information Agency.

SUBJECT: Culturally Significant Objects Imported for Exhibition Determinations.

SUMMARY: Notice is hereby given of the following determinations: Pursuant to the authority vested in me by the Act of October 19, 1965 (79 Stat. 985, 22 U.S.C. 2459), Executive Order 12047 of March 27, 1978 (43 F.R. 13359, March 29, 1978), and Delegation Order No. 85–5 of June 27, 1985 (50 F.R. 27393, July 2, 1985).

ACTION: I hereby determine that the objects on the list specified below, to be included in the exhibit, ''Buddhist Treasures from Nara,'' imported from abroad for the temporary exhibition without profit within the United States, are of cultural significance. These objects are imported pursuant to a loan agreement with the foreign lenders. I also determine that the exhibition or display of the listed exhibit objects at the Cleveland Museum of Art, in Cleveland, Ohio, from on or about August 9, 1998, to on or about September 27, 1998, is in the national interest. Public Notice of these determinations is ordered to be published in the **Federal Register**.

FOR FURTHER INFORMATION CONTACT: Carol Epstein, Assistant General Counsel, Office of the General Counsel, 202/619–6981, and the address is Room 700, U.S. Information Agency, 301 4th Street, S.W., Washington, D.C. 20547–0001.

Dated: July 8, 1998.

Les Jin,

General Counsel.

[FR Doc. 98–18696 Filed 7–13–98; 8:45 am]

BILLING CODE 8230–01–M

DEPARTMENT OF VETERANS AFFAIRS

Privacy Act of 1974, Addition of Routine Use to Three Systems of Records

ACTION: Notice.

SUMMARY: As required by the Privacy Act of 1974, 5 U.S.C. 552a(e), notice is hereby given that the Department of Veterans Affairs (VA) proposes to add a routine use to three existing systems of records.

DATES: The proposed routine use will be effective 30 calendar days from the date of this publication July 14, 1998, unless comments are received before this date which would result in a contrary determination.

ADDRESSES: Interested persons are invited to submit written comments, suggestions, or objections regarding the proposed amended routine use statements to the Director, Office of Regulations Management (02D), Department of Veterans Affairs, 810 Vermont Avenue, NW., Room 1154, Washington, DC 20420. All relevant material received before August 13, 1998, will be considered. All written comments received will be available for public inspection at the above address in the Office of Regulations Management, Room 1158, between the hours of 8:30 a.m. and 4 p.m., Monday through Friday, except holidays.

FOR FURTHER INFORMATION CONTACT: Thomas D. Roberts, Deputy Chief Counsel, Board of Veterans' Appeals (01C3), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, (202) 565–5978.

SUPPLEMENTARY INFORMATION: Under current law and regulations, VA reviews fee agreements between beneficiaries and attorneys for two reasons: to award attorney fees out of a beneficiary's past-due benefits (38 U.S.C. 5904(d)) and to review fee agreements between a beneficiary and an attorney under 38 U.S.C. 5904(c)(2). Both actions are taken by the Board of Veterans' Appeals. In either instance, VA regulations (for example, 38 CFR 20.609) and principles of due process require that both the beneficiary and the attorney have notice and a right to present evidence and/or argument before the Board makes a decision. Because the nature of representation before VA includes waiver of Privacy Act provisions, there is generally no legal bar to providing a representative the information necessary to make whatever presentation is appropriate—for example, notice of an award of past-due benefits.

In some cases, a beneficiary, for a number of possible reasons, will have discharged the attorney prior to the Board's action. VA's General Counsel has ruled that, under some circumstances, a discharged attorney may be paid a fee out of past-due benefits awarded to the beneficiary. VAOPGREC 22–95, 61 FR 10063, 10064 (Mar. 12, 1996). Similarly, the Board could be required to review an agreement for reasonableness after the attorney has been discharged. In either case, because of Privacy Act restrictions, the Board is required to contact the beneficiary to obtain permission to provide proper notice to the attorney.

This routine use would permit VA to disclose information to former representatives to the extent necessary to develop and adjudicate a claim for payment of attorney fees from past-due benefits or to review a fee agreement. VA would not be permitted to release a beneficiary's address under this routine use.

VA has determined that release of information under circumstances such as those described above is a necessary and proper use of information in this system of records and that the specific routine use proposed for the transfer of this information is appropriate.

VA proposes to add the routine use to the following systems of records which are contained in the **Federal Register** at the following pages indicated.

44VA01 Veterans Appellate Records System, established at 40 FR 38095 (8/26/75) and revised at 56 FR 15663 (4/17/91).

81VA01 Representatives' Fee Agreement Records system established at 56 FR 18874 (4/24/91) and amended at 57 FR 8792 (3/12/92).

58VA21/22 Compensation, Pension, Education and Rehabilitation Records established at 41 FR 9294 (3/3/76) and amended at 43 FR 3984 (1/30/78); 43 FR 15026 (4/10/78); 43 FR 23797 (6/1/78); 45 FR 57641 (8/28/80); 45 FR 77220 (11/21/80); 47 FR 367 (1/5/82); 47 FR 16132 (4/14/82); 47 FR 40742 (9/15/82); 48 FR 1384 (1/12/83); 48 FR 15994 (4/13/83); 48 FR 39197 (8/29/83); 48 FR 52798 (11/22/83); 49 FR 23974 (6/8/84); 49 FR 36046 (9/13/84); 50 FR 10886 (3/18/85); 50 FR 26875 (6/28/85); 50 FR 31453 (8/2/85); 51 FR 24781 (7/8/86); 51 FR 25141 (7/10/86); 51 FR 28289 (8/6/86); 51 FR 36894 (10/16/86); 52 FR 4078 (2/9/87); 54 FR 36933 (9/5/89); 55 FR 28508 (7/11/90); 55 FR 42540 (10/19/90); 56 FR 15667 (4/17/91); 56 FR 16354 (4/22/91); 57 FR 12374 (4/9/92); 57 FR 44007 (9/23/92); 58 FR 38164 (7/15/93); 58 FR 54643 (10/22/93); 60 FR 20156 (4/24/95), and 63 FR 7196 (2/12/98).

A ''Report of Altered System'' and an advance copy of the revised system have been sent to the chairmen and ranking members of the Committee on Governmental Reform and Oversight of the House of Representatives and the Committee on Governmental Affairs of the Senate, and to the Office of Management and Budget, as required by 5 U.S.C. 552a(o) (Privacy Act) and

guidelines issued by the Office of Management and Budget.

Approved: July 1, 1998.

Togo D. West, Jr.,

Secretary of Veterans Affairs.

Notice of Addition of Routine Use to Systems of Records

1. In the system identified as 44VA01, ''Veterans Appellate Records System'', established at 40 FR 38095 (8/26/75) and revised at 56 FR 15663 (4/17/91) the following routine use is added:

44VA01

SYSTEM NAME:

Veterans Appellate Records System—VA.

* * * * *

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

* * * * *

6. A record from this system (other than the address of the beneficiary) may be disclosed to a former representative of a beneficiary to the extent necessary to develop and adjudicate a claim for payment of attorney fees to such representative from past-due benefits under 38 U.S.C. 5904(d) or to review a fee agreement between such representative and the beneficiary for reasonableness under 38 U.S.C. 5904(c)(2).

2. In the system identified as 81VA01 ''Representatives' Fee Agreement Records System'', appearing at 56 FR 18874 (4/24/91) and amended at 57 FR 8792 (3/12/92)'' the following routine use is added:

81VA01

SYSTEM NAME:

Representatives' Fee Agreement Records System—VA.

* * * * *

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

* * * * *

5. A record from this system (other than the address of the beneficiary) may be disclosed to a former representative of a beneficiary to the extent necessary to develop and adjudicate a claim for payment of attorney fees to such representative from past-due benefits under 38 U.S.C. 5904(d) or to review a fee agreement between such representative and the beneficiary for reasonableness under 38 U.S.C. 5904(c)(2).

3. In the system identified as 58VA21/22 ''Compensation, Pension, Education and Rehabilitation Records'', appearing at 41 FR 9294 (3/3/76) and amended at 43 FR 3984 (1/30/78); 43 FR 15026 (4/10/78); 43 FR 23797 (6/1/78); 45 FR 57641 (8/28/80); 45 FR 77220 (11/21/80); 47 FR 367 (1/5/82); 47 FR 16132 (4/14/82); 47 FR 40742 (9/15/82); 48 FR 1384 (1/12/83); 48 FR 15994 (4/13/83); 48 FR 39197 (8/29/83); 48 FR 52798 (11/22/83); 49 FR 23974 (6/8/84); 49 FR 36046 (9/13/84); 50 FR 10886 (3/18/85); 50 FR 26875 (6/28/85); 50 FR 31453 (8/2/85); 51 FR 24781 (7/8/86); 51 FR 25141 (7/10/86); 51 FR 28289 (8/6/86); 51 FR 36894 (10/16/86); 52 FR 4078 (2/9/87); 54 FR 36933 (9/5/89); 55 FR 28508 (7/11/90); 55 FR 42540 (10/19/90); 56 FR 15667 (4/17/91); 56 FR 16354 (4/22/91); 57 FR 12374 (4/9/92); 57 FR 44007 (9/23/92); 58 FR 38164 (7/15/93); 58 FR 54643 (10/22/93); 60 FR 20156 (4/24/95), and 63 FR 7196 (2/12/98), the following routine use is added:

58VA21/22

SYSTEM NAME:

Compensation, Pension, Education and Rehabilitation Records—VA.

* * * * *

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

* * * * *

61. A record from this system (other than the address of the beneficiary) may be disclosed to a former representative of a beneficiary to the extent necessary to develop and adjudicate a claim for payment of attorney fees to such representative from past-due benefits under 38 U.S.C. 5904(d) or to review a fee agreement between such representative and the beneficiary for reasonableness under 38 U.S.C. 5904(c)(2).

* * * * *

[FR Doc. 98–18643 Filed 7–13–98; 8:45 am]

BILLING CODE 8320–01–M

Corrections

Federal Register

Vol. 63, No. 134

Tuesday, July 14, 1998

This section of the FEDERAL REGISTER contains editorial corrections of previously published Presidential, Rule, Proposed Rule, and Notice documents. These corrections are prepared by the Office of the Federal Register. Agency prepared corrections are issued as signed documents and appear in the appropriate document categories elsewhere in the issue.

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[Docket No. 301–116]

Termination of Action: Protection of Intellectual Property Rights by the Government of Honduras

Correction

In notice document 98–17485 beginning on page 35633 in the issue of Tuesday, June 30, 1998, make the following corrections:

1. On page 35633, in the second column, in the 11th line ''wise-spread'' should read ''wide-spread''.

On page 35634, in the first column:

2. In the second line from the bottom ''(ii)'' should read ''(ii).''.
3. In the seventh line from the bottom, ''of'' should read ''to''.
4. In the 11th line from the bottom, ''0707.20; 0707.00; 0807.11.30'' should read ''0707.00.20; 0707.00.40; 0807.11.30''.
5. In the 17th line from the bottom, ''0707.00'' should read ''0707.00.40''.
6. In the 18th line from the bottom, ''0707.020'' should read ''0707.00.20''
7. In the 21st line from the bottom, ''of'' should read ''to''.
8. In the 28th line from the bottom, after ''effective'' insert ''dates''.
9. On the same page, in the second column, in the eighth line, after ''0807.11.30;'' insert ''2402.10.30''.
10. On the same page, in the second column, in the last line above the file line ''produce'' should read ''product''.

BILLING CODE 1505-01-D

DEPARTMENT OF TRANSPORTATION

Coast Guard

46 CFR Parts 401 and 402

[USCG-1998-3976]

Great Lakes Pilotage; Reorganization of Regulations

Correction

In the issue of Wednesday, July 8, 1998, on page 36992, in the second column, in the correction of rule document 98–17269, the CFR title is corrected to read as set forth above.

BILLING CODE 1505-01-D

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 98-AGL-22]

Modification of Class E Airspace; Griffith, IN

Correction

In rule document 98–17050 beginning on page 34804 in the issue of Friday, June 26, 1998, make the following correction:

§ 71.1 [Corrected]

On page 34805, in the first column, in § 71.1, the line under the first five asterisks is corrected to read:

AGL IN E5 Griffith, IN [Revised]

BILLING CODE 1505-01-D

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request for Form 8606

Correction

In notice document 98–13458 appearing on page 27789 in the issue of Wednesday, May 20, 1998, make the following correction:

On page 27789, in the second column, in the **DATES** section, in the second line, ''May 20, 1998'' should read ''July 20, 1998''.

BILLING CODE 1505-01-D

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request for Form 2350

Correction

In notice document 98–13457 beginning on page 27788 in the issue of Wednesday, May 20, 1998, make the following correction:

On page 27788, in the third column, in the **DATES** section, in the second line, ''May 20, 1998'' should read ''July 20, 1998''.

BILLING CODE 1505-01-D

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

Correction

In notice document 98–17824 beginning on page 36737 in the issue of Tuesday, July 7, 1998, make the following correction:

On page 36737, in the second column, in the **DATES** section, in the second line, ''July 8, 1998'' should read ''September 8, 1998''.

BILLING CODE 1505-01-D

federal register

Tuesday
July 14, 1998

Part II

Postal Service

39 CFR Part 111

Domestic Mail Manual Changes to Implement the Rate, Fee, and Classification Changes in Docket No. R97–1; Final Rule

POSTAL SERVICE

39 CFR Part 111

Domestic Mail Manual Changes To Implement the Rate, Fee, and Classification Changes in Docket No. R97–1

AGENCY: Postal Service.

ACTION: Final rule.

SUMMARY: This final rule sets forth the Domestic Mail Manual (DMM) standards adopted by the Postal Service to implement the rate, fee, and classification changes for all classes of mail included in the Decision of the Governors of the Postal Service in Postal Rate Commission Docket No. R97–1.

EFFECTIVE DATE: This final rule is effective at 12:01 a.m. on January 10, 1999.

FOR FURTHER INFORMATION CONTACT: Lynn M. Martin, 202–268–6351 (all topics); Paul Lettman, 202–268–6261 (Parcel Post); Thomas DeVaughan, 202–268–4491 (Business Reply Mail).

SUPPLEMENTARY INFORMATION: On July 10, 1997, the Postal Service, acting under sections 3622 and 3623 of the Postal Reorganization Act (39 U.S.C. 3622, 3623), filed a request for a recommended decision by the Postal Rate Commission (PRC) on proposed rate, fee, and classification changes. The PRC designated this filing as Docket No. R97–1. A notice of filing, with a description of the Postal Service's proposals, was published by the PRC on July 23, 1997, in the **Federal Register** (62 FR 39660).

On March 16, 1998, the Postal Service published for public comment in the **Federal Register** a proposed rule (63 FR 12864) that provided information on the implementation rules for the rate, fee, and classification changes that the Postal Service proposed to adopt if its requested changes in Docket No. R97–1 were recommended by the PRC and approved by the Governors of the Postal Service.

Pursuant to 39 U.S.C. 3624, on May 11, 1998, the PRC issued its Recommended Decision on the Postal Service's Request to the Governors of the Postal Service. The PRC recommendations made revisions to some of the mail classification structure, rates, and fees requested by the Postal Service. Based on an extensive analysis of the PRC's Recommended Decision and deliberation as to its consequences to the Postal Service and its customers, and pursuant to 39 U.S.C. 3625, the Governors acted on the PRC's recommendations on June 29, 1998. The Governors determined to approve the PRC's Recommended Decision except for the recommended classifications and fees for Prepaid Reply Mail and the recommended ''shell classification'' for Courtesy Envelope Mail. The Governors expressed concern about the necessity for these separate classifications. The Governors have encouraged management to consider whether refinements to the approved Qualified Business Reply Mail (QBRM) classifications and fees can be developed which improve upon the accounting options and fees approved for QBRM. The Postal Service plans to further study the issue of consumer automation discounts.

The Governors allowed under protest, and returned to the Postal Rate Commission for reconsideration, the rate schedules for Within County Periodicals, Library Rate Mail, and DDU Parcel Post.

The Board of Governors set an implementation date of January 10, 1999, for the approved rate, fee, and classification changes to take effect, except for delivery confirmation and the electronic form of return receipt (signature confirmation) service for delivery confirmation customers. The Board of Governors determined that implementation of the new delivery confirmation service approved in the Governors' Decision, as well as the classification change allowing delivery confirmation as a sole prerequisite for return receipt service, should take place after the effective date established for the other changes approved and allowed by the Governors, but not later than June 1, 1999. Later implementation will provide time for deployment of the technology used to provide these service features. The Board of Governors determined that an effective date for delivery confirmation and the electronic form of return receipt (signature service) will be selected through future action by the Board.

A notice announcing the Governors' decision and the issuance of final Domestic Mail Classification Schedule and Rate Schedule changes is contained in a separate notice to be published in the **Federal Register**.

This final rule contains the DMM standards adopted by the Postal Service to implement the Governors' decision. The revised DMM standards will take effect on January 10, 1999. The standards for delivery confirmation and the electronic form of return receipt (signature confirmation) service are not included in this final rule. They will be contained in a separate **Federal Register** notice when an implementation date is set by the Board of Governors.

Part A of this notice summarizes major changes that have been made to or added to the proposed implementation standards since the proposed rule. This includes changes made because of differences in the Postal Service's proposal and the PRC's recommended decision, changes made in response to the Governors' decisions, and changes made by the Postal Service in response to mailer comments or for other reasons. Part B provides a summary of all of the changes in Domestic Mail Manual standards made as a result of Docket No. R97–1 and this rulemaking process. Part C contains an analysis of comments received on the proposed rule and the Postal Service responses. Part D summarizes the changes to the DMM by DMM module, followed by the text of the revised DMM standards.

A. Major Changes and Additions Other Than Rate and Fee Levels Since the March 16, 1998, Proposed Rule

1. Express Mail

a. Hazardous Materials Surcharges

The Postal Rate Commission did not recommend the proposed surcharges for hazardous medical materials and for other hazardous materials. Therefore, provisions for hazardous materials surcharges have not been included in the DMM.

2. Priority Mail

a. Hazardous Materials Surcharges

The Postal Rate Commission did not recommend the proposed surcharges for hazardous medical materials and for other hazardous materials. Therefore, provisions for hazardous materials surcharges have not been included in the DMM.

b. Weight

The weight at which heavy First-Class Mail pieces must be paid at the Priority Mail rates is increased from First-Class Mail weighing over 11 ounces to First-Class Mail weighing over 13 ounces. At the mailer's option, any other mail matter (including regular First-Class Mail weighing 13 ounces or less) may be mailed as Priority Mail.

3. First-Class Mail

a. Hazardous Materials Surcharges

The Postal Rate Commission did not recommend the proposed surcharges for hazardous medical materials and for other hazardous materials. Therefore, provisions for hazardous materials surcharges have not been included in the DMM.

b. Heavy Piece Discount

The additional heavy piece presort discount of $0.046 for the first ounce of mailpieces weighing more than 2 ounces remains in effect.

c. Maximum Weight

The maximum weight of First-Class Mail is increased from 11 ounces to 13 ounces.

d. Prepaid Reply Mail

Prepaid Reply Mail will not be implemented.

4. Periodicals

a. Eligibility for In-County High Density Rates

Eligibility for the high density rate for In-County pieces will be revised to allow walk-sequenced pieces for a carrier route to qualify when there are either a minimum of 125 pieces for a carrier route or addressed pieces for at least 25 percent of the total active possible deliveries on a carrier route.

5. Standard Mail (A)

a. Hazardous Materials Surcharges

The Postal Rate Commission did not recommend the proposed surcharges for hazardous medical materials and for other hazardous materials. Therefore, provisions for hazardous materials surcharges have not been included in the DMM.

b. ''Presorted Standard'' Marking

A two-year transition period (instead of one year) will be permitted for mailers to change their ''Bulk Rate'' markings to ''Presorted Standard.'' Until January 10, 2001, mailers of regular rate Standard Mail (A) material (matter at regular Presorted Standard Mail (A), regular automation, and regular Enhanced Carrier Route rates) may use either the ''Bulk Rate'' or the ''Presorted Standard'' markings or their respective authorized abbreviations on their mailings. At the mailer's option the ''Presorted Standard'' marking or its abbreviation may be used instead of ''Bulk Rate'' or its abbreviation effective immediately.

c. ''RSS'' Marking

The Postal Service will not require a separate ''RSS'' marking for pieces that are subject to the residual shape surcharge.

d. Pieces Not Qualifying for Standard Mail

(A). Mailers have indicated that they may have pieces prepared with Standard Mail (A) rate markings that cannot be mailed at a Standard Mail (A) rate under the provisions for ''residual'' pieces set forth in the proposed rule and this final rule. Reasons include the mailer having pieces remaining in a mailing job that cannot be matched to a correct 5-digit ZIP Code, or the mailer choosing not to hand-sort handwritten pieces that could not be barcoded and sorted by a multi-line optical character reader (MLOCR). In such instances, mailers must pay single-piece First-Class Mail or Priority Mail postage on the pieces.

If mailers desire to receive First-Class or Priority Mail service as applicable based on the weight of the mailpieces (including forwarding and return services), they must re-envelope or otherwise prepare the mailpieces so that they bear only the proper First-Class Mail or Priority Mail rate markings, ancillary service endorsements, Address Change Service (ACS) codes, etc. Metered pieces weighing over 13 ounces and less than 16 ounces must always be prepared under this method.

Except for metered pieces weighing over 13 ounces and less than 16 ounces, mailers who do not desire to receive First-Class or Priority Mail service on such pieces may submit them ''as is'' (i.e., bearing the Standard Mail (A) markings and endorsements). No additional markings or postage are to be added to these pieces. First-Class Mail or Priority Mail postage must be paid for these pieces using the appropriate First-Class or Priority Mail postage statement. Except for metered pieces weighing over 13 ounces and less than 16 ounces, mail bearing metered or precanceled stamp postage must, under this option, pay the difference between the postage affixed and the First-Class Mail or Priority Mail rates by means of an advance deposit account or by affixing a meter strip for the appropriate amount to the postage statement. If the pieces weigh 13 ounces or less, mailers must use special line items on the new First-Class postage statements under the heading ''From Standard Mail (A)'' to record the pieces mailed. This option may be used for fewer than 200 pieces of permit imprint mail only if the pieces were part of a larger mailing job and are submitted for acceptance along with the mail and a Standard Mail (A) postage statement for the other pieces in the same mailing job. Metered pieces weighing over 13 ounces and less than 16 ounces cannot use this option since there is no postage statement on which they can be reported and therefore must be re-enveloped and prepared as Priority Mail.

6. Standard Mail (B)

a. Barcoded Discounts

(1) Additional Barcode Option. A fourth barcode symbology, UCC/EAN Code 128, has been added. The USPS, in cooperation with the parcel shipping industry, has adopted the UCC/EAN Code 128 as its preferred code structure and symbology standard. The UCC/EAN Code 128 permits encoding of either the 5-digit ZIP Code or the ZIP+4 code. The ZIP Code information must be preceded by the Application Identifier ''420'' that signifies a domestic ZIP Code, and must not include the trailing verifier character ''9'' used with other barcode symbologies. The UCC/EAN code 128 will become mandatory for the barcoded discount in five years (January 10, 2004). During the 5-year phase-in period, UCC/EAN Code 128, as well as USS Code 128; USS Code I 2/5; and USS Code 39 symbologies will be permitted.

(2) Numeric Equivalent of Barcode. The requirement to print human-readable characters representing the numeric equivalent of the ZIP Code information in the barcode (i.e., omitting the verifier character or, for UCC/EAN Code 128, omitting the 3-digit application identifier characters) near the barcode will not be required if the barcode is on the same label as the address block and is placed in close proximity to the address. The human-readable numeric equivalent of the ZIP Code information in the barcode will be required for barcodes not printed on the same label as the address block on mailpieces.

(3) Parcel Post ASF Barcoded Rate Exclusion. The exclusion from the barcoded discount of machinable pieces eligible for DBMC rates that are entered at an auxiliary service facility (ASF) has been revised. Since the Phoenix, Arizona, ASF has parcel barcode reading equipment, machinable pieces of Parcel Post DBMC rate mail entered at the Phoenix ASF will be eligible for barcoded discounts. Since no other ASFs have barcode reading equipment, DBMC rate mail entered at ASFs other than Phoenix will not be eligible for the barcoded discount.

b. Hazardous Materials Surcharges

The Postal Rate Commission did not recommend the proposed surcharges for hazardous medical materials and for other hazardous materials. Therefore, provisions for hazardous materials surcharges have not been included in the DMM.

c. Parcel Post BMC Presort and OBMC Presort Discounts

(1) Mail Preparation. The proposed requirement to prepare machinable parcels in pallet boxes measuring 72 inches high and to fill the boxes with at least 54 inches of mail to qualify for these discounts is revised. The new requirement is to prepare machinable parcels in pallet boxes measuring 69 inches high and to fill the boxes with at least 52 inches of mail to qualify for these discounts. The preparation requirements for nonmachinable mail did not change.

(2) Documentation. The requirement for documentation listing number of pieces per individual pallet is eliminated.

d. Parcel Post Oversized Pieces.

The 10% limit per mailing of pieces that measure over 108 inches but not more than 130 inches in combined length and girth is removed. In its place the PRC recommended and the Governors of the Postal Service approved oversized rates for such pieces. These oversized rates are greater than the rates for 70-pound parcels.

e. Parcel Post DSCF Rate

(1) Sacking Requirements Revised. The minimum number of pieces per 5-digit sack is revised from 10 pieces to 7 pieces. A provision also is added to allow one overflow sack per 5-digit destination. The overflow sack has no minimum quantity requirement.

(2) New Pallet Preparation Option Added. In response to mailer comments that the pallet minimums were too high, a new pallet preparation option has been added. This option allows preparation of 5-digit pallets with a minimum of 35 pieces and 200 pounds of mail, provided the average number of pieces placed on pallets qualifying for the DSCF rate in such a mailing is at least 50 pieces. In order to document that no pallet contains less than 35 pieces and 200 pounds and that the average number of pieces per pallet claiming the DSCF rate is at least 50 pieces, mailers will be required to submit detailed documentation and place sequential identification numbers on qualifying pallets of DSCF rate mail. The documentation must list each pallet in sequential order by pallet identification number. The listing must show for each pallet: the pallet identification number, the 5-digit ZIP Code of the pallet, the total weight of pieces on the pallet, the total number of pieces on the pallet, and the cumulative total of pieces (i.e., the number equal to the number of pieces for that pallet plus the sum of the pieces on all pallets listed above it).

(3) Overflow Provisions for Palletized Mail Added. Provisions are added to allow overflow from 5-digit pallets to be placed in corresponding 5-digit sacks. The overflow 5-digit sacks have no minimum quantity requirement, and the pieces placed in them will qualify for the DSCF rate. Mailers will also have the option of preparing a 5-digit overflow pallet. However, the pieces on overflow pallets, which by definition contain less than the minimum quantity required for a qualifying DSCF rate pallet, are not eligible for DSCF rates and are subject to the DBMC rates.

(4) Pallet Boxes. The prohibition against use of pallet boxes on pallets for the DSCF rate is eliminated. Pallet boxes on pallets will be permitted for any 5-digit facility that can handle pallets, provided the pallet boxes measure no more than 60 inches high and meet the pallet box provisions in DMM M041. Mail prepared in pallet boxes is subject to the same pallet minimum preparation options as parcels placed directly on pallets.

(5) Sacks on Pallets. Under DMM M045.12, mailers may consolidate 5-digit sacks prepared under DMM M630 and/or under DMM M045.11 that qualify for the DSCF rate on an SCF pallet. Both 5-digit sacks meeting or exceeding the 7-piece minimum and overflow sacks (overflow from sacks and overflow from pallets) may be palletized in this manner. However, if in the same mailing, mail is palletized under M045.11.1 and sacked under M630, the sacks that are prepared as overflow from pallets must, at the time of acceptance, be separated from sacks prepared under M630. SCF pallets containing 5-digit sacks qualifying for the DSCF rate may be prepared without having to first prepare all possible 5-digit pallets and without having to meet a 250-pound pallet minimum. A special pallet label is specified for these pallets in M045.

(6) Additional Information Pertaining to Drop Shipment Product. Mailers must use the following additional information when using the Drop Shipment Product to determine whether mail for a 5-digit ZIP Code delivery unit may be prepared on pallets to qualify for the DSCF rate. The DMM standards are revised to specify that when the Drop Shipment Product shows that mail for a single 5-digit ZIP Code area is delivered from more than one facility, the facility listed in the Drop Shipment Product that delivers mail to the majority of city carrier routes will be considered the delivery unit for parcel post. Two exhibits, Exhibits E652.6.0 and 652.7.0 that contain exceptions to the ''majority of city carriers'' rule, are also added to the DMM. If a 5-digit ZIP Code is listed in DMM Exhibit E652.6.0 or E652.7.0, the facility listed in one of those exhibits must be used to determine the name of the delivery unit. The name of the delivery unit must then be looked up in the Drop Shipment Product to determine if mail for it, and therefore mail for the 5-digit ZIP Code, can be prepared on pallets to qualify for the DSCF rate. At some point in the future the information in these two exhibits will be incorporated in the Drop Shipment Product.

(7) Nonmachinable Outsides. Nonmachinable outside (NMO) parcels by definition cannot be prepared in sacks because they will not fit in a sack. Therefore, NMOs must be prepared directly on pallets or in pallet boxes on pallets. If overflow pallets are prepared, the pieces on such pallets are subject to the DBMC rates. The DSCF rate is not available for NMOs at those 5-digit delivery units that cannot handle palletized mail as listed in the Drop Shipment Product and in Exhibits E652.6.0 and E652.7.0.

(8) Exceptions to DMM Exhibit E652.5.0. Provisions are added to allow mailers to submit a written request to the Area Manager, Operations Support, for permission to bring palletized mail for a 5-digit ZIP Code area listed in DMM Exhibit E652.5 to the DSCF rather than to the applicable BMC. Such exceptions must be requested at least 15 days in advance and may be granted for a limited period of time only.

(9) Separation of Perishable and Nonperishable Parcels. The requirement to separate perishable and nonperishable parcels is deleted from the final DMM rules.

f. Parcel Post DDU Rate

(1) Pallet Boxes. The prohibition against the use of pallet boxes on pallets is eliminated. Pallet boxes on pallets will be permitted for any 5-digit facility that can handle pallets, provided that the pallet boxes measure no more than 60 inches high and meet the pallet box provisions in DMM M041.

(2) Additional Lists Pertaining to Drop Shipment Product. Mailers must use the following additional information when using the Drop Shipment Product to determine the location of the delivery unit for a 5-digit ZIP Code area. When mail for a single 5-digit ZIP Code area is delivered from more than one facility, the facility listed in the Drop Shipment Product that delivers mail to the majority of city carrier routes is the delivery unit at which mail must be entered to claim the DDU rate. There are two exceptions to this general rule. Two

exhibits, Exhibit E652.6.0 and Exhibit E652.7.0 are added to DMM E652. Exhibit E652.6.0 contains exceptions to the ''majority of city carrier routes'' rule. Exhibit E652.7.0 contains other anomalous situations including those where a parcel annex is used to deliver mail for multiple 5-digit ZIP Codes. If a 5-digit ZIP Code is listed in DMM Exhibit E652.6.0 or Exhibit E652.7.0, the facility location in one of those lists is the delivery unit to which the mail must be brought to qualify for the DDU rate. This facility must be looked up in the Drop Shipment Product to determine if that facility can handle pallets and (for facilities listed in Exhibit E652.6.0) to determine the address of the facility.

(3) Pallet Stacking. Mailers may stack pallets of mail entered at destination delivery units provided that the mailer unloads and unstacks the pallets at the delivery unit and removes any strapping material.

(4) Appointments. To facilitate the scheduling of drop shipments to delivery units, the Postal Service will allow standing appointments if shipment frequency is weekly or more often. A provision also has been added in E652.3.4 to specify that appointments are required for mixed loads of Periodicals and Standard Mail (B) entered at destination entry rates. DMM E250.2.4 already contains a similar provision for DDU entry of mixed loads of Periodicals and Standard Mail.

(5) Grace Period for Late Arrivals. The grace period allowed for late arrival of shipments at DDUs, previously stated to be 1 hour, is revised to 20 minutes.

g. Markings

(1) Parcel Post. Except for mail qualifying for a drop shipment rate, mailers will be given a one-year grace period, until January 10, 2000, to print the ''Parcel Post'' or ''PP'' markings in the postage area. As of January 10, 1999, Drop Shipment rate mail must show the ''Parcel Post'' or ''PP'' marking in the postage area and the marking ''Drop Ship'' or ''D/S'' in either the postage area or on the line above or two lines above the address. An exception is that DBMC rate mailers currently using the ''DBMC Parcel Post'' or ''DBMC PP'' marking may continue to do so until January 10, 2000.

(2) Standard Mail (B) Other than Parcel Post. Mailers not already doing so will have until January 10, 2000, to place the current required subclass markings ''Bound Printed Matter,'' ''Special Standard,'' and ''Library Mail'' or ''Library Rate'' in the postage area (as opposed to elsewhere on the mailpiece).

(3) *Bound Printed Matter.* At the mailer's option the ''Presorted'' marking may be used instead of ''Bulk Rate'' effective immediately. (This marking will be required effective January 10, 2000.) In addition, mailers may use the marking ''Presorted Standard'' (or ''PRSRT STD'') instead of ''Presorted'' (or ''PRSRT'') wherever the ''Presorted'' marking is required or permitted.

7. Special Services

a. Bulk Insurance

A provision requiring an electronic manifest to qualify for the bulk insurance discount was recommended by the PRC and approved by the Governors of the Postal Service. Therefore, one of the requirements to obtain this discount will be to provide a hard copy of Form 3877, Firm Mailing Book for Accountable Mail (or facsimile), and a copy of Form 3877 on a diskette or other electronic medium. When systems that electronically capture information on accountable mail are completed and programming changes that will tie the St. Louis ASC into these systems are completed, mailers will be required to file claims electronically. When or before these changes and systems are completed, bulk insurance mailers will be provided with instructions for a new format for the electronic Form 3877 and with instructions for electronically filing claims.

b. Business Reply Mail

Mailers will have until January 10, 2001, to comply with the standard that Qualified Business Reply Mail pieces and other BRM pieces bearing a barcode that measure more than 4¼ inches by 6 inches must meet a minimum thickness requirement of .009 inch. In addition, mailers of QBRM and other BRM pieces that bear a barcode will be given until January 10, 2001, to meet the amended requirements for the barcode clear zone, window placement for lower right barcodes, and placement of the leftmost bar of lower right barcodes. The barcode specifications that are in DMM C840 will be required, rather than optional. The basis weight requirement for envelopes in C810.7.1 will not apply to BRM. BRM envelopes must continue to meet a minimum paper basis weight of 20 pounds (measured using 500 sheets of 17- by 22-inch paper). The standard in current S922.6.4 that envelope material must not have a phosphorescence exceeding 4.0 phosphor meter units is retained and corrected to state that envelope material must not have a red fluorescence exceeding 4.0 phosphor meter units.

c. Delivery Confirmation

Standards concerning delivery confirmation were removed pending an implementation date.

d. Merchandise Return Service

The Postal Service revised the requirements for preprinted rate markings. The Priority Mail marking will not be required to be preprinted on all matter that might be subject to that rate upon return. It is understood that permit holders may not be able to predict whether a piece that might be returned will weigh over 13 ounces but less than 16 ounces and therefore need a Priority Mail marking on the merchandise return label. Therefore, the permit holder must preprint a Priority Mail marking only when it is desired that the mail matter be returned at those rates regardless of its weight. Pieces prepared with merchandise return labels that do not contain a preprinted rate marking will be returned at the First-Class Mail rates if weighing 13 ounces or less, at the Priority Mail rates if weighing over 13 ounces but less than 16 ounces, and at the Parcel Post rates if weighing 16 ounces or more.

d. Return Receipt

The Postal Service determined not to revise DMM D042.1.7.

B. Summary of all DMM Revisions for R97–1

1. Express Mail

a. Rate Highlights

Overall, Express Mail rates will increase 9%. For Post Office to Addressee service, the letter rate will increase to $11.75 and the 2-pound flat rate will increase to $15.75. The fee for pickup service will increase from $4.95 to $8.25 per occurrence.

b. Rate Structure

There are no changes to the rate structure.

2. Priority Mail

a. Rate Highlights

On average, Priority Mail rates will increase 5.6%. The fee for pickup service will increase from $4.95 to $8.25 per occurrence.

b. Classification and Rate Structure

(1) *Keys and Identification Devices.* Keys and identification devices that weigh more than 13 ounces but not more than 2 pounds will be subject to the 2-pound Priority Mail rate plus a $0.30 fee.

(2) *Elimination of Presort Category.* The Presorted Priority Mail rate category

will be eliminated. Therefore, DMM labeling list L102, ADCs—Presorted Priority Mail, also will be eliminated.

(3) *Delivery Confirmation.* A new delivery confirmation service will be available with Priority Mail in early 1999. See further details under ''Special Services.''

3. First-Class Mail

a. Rate Highlights

The single-piece first-ounce letter rate will be increased one cent from $0.32 to $0.33, and the rate for each additional ounce will decrease to $0.22. The nonstandard surcharges for non-card-rate pieces will not increase and will remain at $0.11 for single-piece rate mail and $0.05 for presorted mail. For card rates, no change will be made to the single-piece rates, nonautomation Presorted rates, automation 3-digit rates and automation basic rates. No change will be made to 3/5-digit automation flat rates. Small increases will be made to other automation rates and Presorted rates. The annual presort mailing fee will be increased from $85.00 to $100.00.

b. Classification and Rate Structure

(1) *Increase in Maximum Weight.* The maximum weight of First-Class Mail will be increased from 11 ounces to 13 ounces.

(2) *Keys and Identification Devices.* Keys and identification devices that weigh 13 ounces or less will be subject to the applicable single-piece letter rate, plus a $0.30 fee and, if applicable, the nonstandard surcharge.

(3) *Qualified Business Reply Mail.* A new classification category and rate structure for qualified business reply mail (QBRM) that must be letter-size (including cards), automation-compatible, and barcoded will be added. As a result, the BRMAS fee category will be eliminated. The rate structure for QBRM includes a lower first-ounce rate. The fee structure for QBRM requires an annual permit fee, an annual accounting fee, and a fee for each piece returned. More specific requirements for this new classification category are described under DMM E150 and under ''Special Services'' below.

c. Rate Markings

The abbreviation ''PRSRT'' will be permitted for the required ''Presorted'' marking.

4. Periodicals

a. Rate Highlights

There will be average rate increases of 4.6% for Regular, 1.1% for In-County, 8.0% for Nonprofit, and 12.1% for Classroom publications. Authorization fees will not change, except that the additional entry fee decreases from $85.00 to $50.00.

b. Classification and Rate Structure

(1) *Per-Piece Rates.* Separate 5-digit presort per-piece rates and 3-digit presort per-piece rates will be added for Regular, Nonprofit, Classroom, and In-County subclasses. Furthermore, the 3-digit presort level rates will apply to both unique and nonunique 3-digit ZIP Code prefixes.

To qualify for the nonautomation 5-digit per-piece rates, mail must be prepared in a 5-digit package of six or more pieces and must be containerized as follows: for letter mail, be placed in a 5-digit tray; for nonautomation flat mail, be placed in a 5-digit sack or on any presort level of pallet. To qualify for automation 5-digit per-piece rates for letters, mail must be part of a group of 150 pieces for the same 5-digit or 5-digit scheme, properly placed in a 5-digit or 5-digit scheme tray. To qualify for automation 5-digit per-piece rates for flats, mail must be prepared in a 5-digit package of six or more pieces and placed in any level of sack or on any level of pallet.

To qualify for the nonautomation 3-digit per-piece rates, sacked flat-sized mail must be prepared in a 5-digit package of six or more pieces or in a 3-digit package of six or more pieces, and must be placed in a 3-digit sack; trayed letter-size mail must be prepared in a 5-digit package of six or more pieces or in a 3-digit package of six or more pieces, and must be placed in a 3-digit tray. Palletized flat-sized mail must be prepared in a 3-digit package of six or more pieces and placed on a 3-digit or higher (e.g., SCF, ADC) level of pallet.

To qualify for automation 3-digit per-piece rates for letters, mail must be part of a group of 150 pieces for the same 3-digit or 3-digit scheme and be properly placed in a 3-digit or 3-digit scheme tray. To qualify for automation 3-digit per-piece rates for flats, mail must be prepared in a 3-digit package of six or more pieces and placed in a 3-digit or higher (e.g. ADC or mixed ADC) level of sack or on a 3-digit or higher (e.g., SCF, ADC) level of pallet.

(2) *Eligibility for In-County High Density Rates.* Eligibility for the high density rate for In-County pieces will be revised to allow walk-sequenced pieces for a carrier route to qualify when there are either a minimum of 125 pieces for the carrier route, or addressed pieces for at least 25 percent of the total active possible deliveries on the carrier route.

c. Mail Preparation

(1) *Automation Letters.* Preparation of the 5-digit or 5-digit scheme sort for letter-size automation rate mailings will be revised from a required level of sort to an optional level of sort.

(2) *SCF Sack.* The current optional SCF sack for nonletter mail will be revised to a required level of preparation. Preparation of an optional origin/required entry SCF sack will be added. Preparation of an optional origin/required entry 3-digit sack will be eliminated. SCF packages are not and will not be permitted.

d. Forwarding and Return

Charges for the return of Periodicals mail bearing the ''Address Service Requested'' endorsement will be paid at the First-Class Mail rates for pieces weighing 13 ounces or less and at the Priority Mail rates for pieces weighing more than 13 ounces. (Priority Mail rates also apply to pieces weighing 16 ounces or more.) This is due to the elimination of the Standard Mail (A) single-piece rates discussed below.

5. Standard Mail (A)

a. Rate Highlights

There will be average rate increases of 2.6% for Regular, 2.3% for Enhanced Carrier Route, and 14.0% for Nonprofit subclasses. On average, there will be a 8.0% decrease in Nonprofit Enhanced Carrier Route rates. Nonprofit and Nonprofit ECR pound rates will decrease. Regular and ECR pound rates will remain the same. For the first time, the automation 5-digit letter rate will be lower than the basic Enhanced Carrier Route rate. The basic Enhanced Carrier Route minimum per-piece rates will be the same for letter-size and for nonletter-size pieces. The destination entry discounts will maintain their current discount differentials between BMC and SCF and between SCF and DDU. The annual presort mailing fee will increase from $85.00 to $100.00.

b. Rate Structure

(1) *Elimination of Single-Piece Rates.* The single-piece Standard Mail (A) rates will be eliminated. This will affect the treatment of pieces in situations where there are fewer than 200 pieces remaining in a mailing job after preparation of an Enhanced Carrier Route and/or an automation rate mailing, situations in which there are fewer than 200 pieces in a mailing job, or situations in which the pieces are not or may not be presorted. See ''Mail Preparation'' below for further information. It also affects the fees for forwarding and return of Standard Mail

(A) as described below under ''Forwarding and Return.'' With one exception, single pieces that weigh less than 16 ounces will be subject to return postage at single-piece First-Class or Priority Mail rates multiplied by 2.472. The exception is that single pieces weighing less than 16 ounces that could qualify for single-piece Special Standard Mail or Library Mail rates will continue to be eligible for those rates upon return if properly endorsed because there are no minimum weight requirements for those two subclasses of Standard Mail (B).

(2) *Residual Shape Surcharge.* Pieces that are prepared as parcels or that are not letter-size or flat-size will be subject to a $0.10 per piece residual shape surcharge in addition to the applicable nonletter postage. This surcharge applies to such pieces mailed at all Standard Mail (A) subclasses (Regular, Enhanced Carrier Route, Nonprofit, Nonprofit Enhanced Carrier Route).

c. Mail Preparation

(1) *Bulk Rate Markings and Nomenclature.* Effective January 10, 2001, the basic rate marking requirements for regular rate mailings (including Enhanced Carrier Route) will be changed from ''Bulk Rate'' or ''Blk. Rt.'' to ''Presorted Standard'' or ''PRSRT STD.'' During the two-year transition period, either the ''Bulk Rate'' or the ''Presorted Standard'' markings or their authorized abbreviations will be acceptable. For consistency, the DMM will use the term ''Presorted Standard Mail (A)'' or ''Presorted Standard'' when referring to the mailings and rates currently referred to as ''nonautomation presort (3/5 and basic) Standard Mail (A).'' At the mailer's option the ''Presorted Standard'' or ''PRSRT STD'' marking may be used instead of ''Bulk Rate'' effective immediately.

(2) Markings for Standard Mail (A) Matter Paid at Standard Mail (B) Rates. Effective January 10, 1999, mailings paid at Standard Mail (B) rates under the exception in DMM E612.4.6 must bear the appropriate Standard Mail (B) rate marking, not the applicable Standard Mail (A) rate marking. DMM E612.4.6 contains provisions that allow Standard Mail (A) matter weighing less than 16 ounces to pay Standard Mail (B) rates if those rates are lower than Standard Mail (A) rates and the matter and the mailing could qualify for the Standard Mail (B) rate except for weight. For example, if a mailer had flat-size printed matter pieces that met the qualifications for Bound Printed Matter in DMM E630 (until January 10, DMM E620) except that the pieces each weighed less than one pound, and if the applicable Bound Printed Matter Rates were less than the applicable Standard Mail (A) rates, the mailer could presort them as Standard Mail (A) flats and claim basic presorted Bound Printed Matter rates. Under this example, if the pieces weighed four ounces and the mailing was only for the local zone, the Bound Printed Matter rates would be lower than the Presorted Standard Mail (A) rates. Therefore, the mailer could claim local zone Bound Printed Matter rates if: (1) the pieces are presorted according the Presorted Standard Mail (A) requirements to 5-digit, 3-digit, ADC, and Mixed ADC (that are similar to the presort requirements for presorted Bound Printed Matter), (2) the pieces are marked ''Presorted'' or ''Presorted Standard'' and ''Bound Printed Matter,'' and (3) documentation is submitted to substantiate that the pieces qualified for the local zone rate.

(3) *Elimination of Single-Piece Rates.* Currently, Standard Mail (A) single-piece rates apply to pieces that cannot meet the separate minimum volume requirement of 200 pieces for a Presorted Standard mailing either because the mailing job itself contains fewer than 200 pieces or because after preparing an Enhanced Carrier Route and/or automation mailing the pieces remaining in the mailing job are fewer than 200. Other instances where single-piece rates currently apply include mailers using MLOCRs to prepare the mail who may have pieces remaining in a mailing job that could not be matched to a 5-digit ZIP Code, or mailers who choose not to hand-sort handwritten pieces that could not be barcoded and sorted by a MLOCR. The single-piece Standard Mail (A) rate is eliminated. Mailers will now have three options concerning preparation and payment for mailing pieces that formerly were paid at the single-piece Standard Mail (A) rates.

Option one applies to pieces that remain in a mailing job after a mailer has prepared an Enhanced Carrier Route and/or an automation mailing. A new provision in DMM E630.1.1 and 1.2 will allow pieces in an Enhanced Carrier Route rate mailing and/or in an automation rate mailing that have each separately met a 200-piece or 50-pound minimum quantity requirement to be counted toward the minimum quantity requirement for a Presorted Standard (3/5 and basic rate) mailing, provided that (1) the Enhanced Carrier Route rate mailing and/or the automation mailing, and the Presorted Standard mailing are part of the same mailing job, and (2) the mailings are all reported on the same postage statement. Under no circumstances may pieces mailed at the Presorted Standard (nonautomation 3/5 and basic) rates be counted toward the minimum volume requirements for an Enhanced Carrier Route or an automation rate mailing. The pieces mailed at the Presorted Standard rates under this provision must meet all other requirements for those rates, including the sortation and other preparation requirements in M610. As prescribed in DMM M610.1.1e, the pieces mailed at the Presorted Standard rates must not bear any Enhanced Carrier Route or automation markings. Only ''Presorted Standard'' (or, until January 10, 2001, ''Bulk Rate''), ''Nonprofit Organization,'' or their applicable authorized abbreviations may appear on pieces mailed at the Presorted Standard rates.

Options two and three apply to mailings that cannot qualify for the Presorted Standard Mail rates under the above provisions for residual minimum volume. These might be mailings containing fewer than 200 pieces that cannot be reported on the same postage statement as other mailings in the mailing job because the pieces have a different per piece weight (because of different editions in the same job). They could also be pieces remaining after sorting a mailing job that could not be matched to a correct 5-digit ZIP Code, or pieces that could not be barcoded and sorted by a MLOCR because they bear handwritten addresses and the mailer chose not to hand-sort the pieces. In such instances, mailers must pay single-piece First-Class Mail or Priority Mail postage on the pieces.

Option two is for mailers of such pieces who desire to receive First-Class or Priority Mail service (including forwarding and return services) on such pieces as applicable, based on the weight of the mailpieces. Under this option, mailers must re-envelope the pieces or initially prepare them so that they bear only the proper First-Class Mail or Priority Mail markings, ancillary service endorsements, ACS codes, etc. These pieces must not bear Standard Mail (A) markings, endorsements or ACS codes. This option will also be required for metered mailpieces weighing over 13 ounces, but less than 16 ounces, that cannot be mailed under option one.

Option three is for mailers who have pieces (other than metered pieces weighing over 13 ounces, but less than 16 ounces) that cannot qualify for the Presorted Standard Mail (A) rates, but that are prepared as Standard Mail (A), and who do not desire to receive First-Class Mail or Priority Mail service for those pieces. Under this option the pieces may be submitted ''as is'' (i.e., bearing the Standard Mail (A) markings

and endorsements). No additional markings or postage are to be added to these pieces. Single-piece First-Class Mail or Priority Mail postage must be paid for these pieces using the appropriate First-Class or Priority Mail postage statement. Mail bearing metered or precanceled stamp postage must pay the difference between the postage affixed at the Standard Mail (A) rates and the single-piece First-Class Mail or Priority Mail rates by means of an advance deposit account or by affixing a meter strip for the appropriate amount to the postage statement. Mail bearing permit imprints must pay the single-piece First-Class or Priority Mail postage by completing the appropriate First-Class or Priority Mail postage statement. If the pieces weigh 13 ounces or less, mailers must use special line items under Part C on the reverse side of Form 3600–R, Postage Statement—First-Class Mail Permit Imprint, or Form 3600–P, Postage Statement—First-Class Mail Postage Affixed. The new line items on the postage statements appear under the heading ''From Standard Mail (A).'' If the pieces weigh over 13 ounces but less than 16 ounces, and are paid with permit imprint, Form 3600–PM, Postage Statement—Priority Mail Permit Imprint, must be appropriately completed to show that the pieces are from a Standard Mail (A) mailing. Option 3 may be used for permit imprint mail only if there are at least 200 pieces to be mailed under this option, or if the pieces were part of a larger mailing job and are submitted for acceptance along with the mail and a Standard Mail (A) postage statement for the other pieces in the same mailing job.

d. Forwarding and Return. With two exceptions, charges for the forwarding and return of Standard Mail (A) are paid at the First-Class Mail rates for pieces weighing 13 ounces or less and at the Priority Mail rates for pieces weighing over 13 ounces. This is because single-piece Standard Mail (A) rates have been eliminated as discussed above. The exceptions are (1) matter returned under Bulk Parcel Return Service (BPRS) and (2) matter that qualifies for a single-piece Special Standard Mail or Library Mail rate under DMM E630 and is endorsed to show that forwarding and return is requested at one of those rates.

6. Standard Mail (B)

a. Rate Highlights

Some Parcel Post rates will decrease and many will increase, some as much as 30%. New rate categories and discounts will be added to Parcel Post as described in 6b below. On average, Bound Printed Matter rates will increase 5%. The discount will increase for sorting Bound Printed Matter to carrier route. Special Standard Mail rates will decrease. Library Mail rates will be the same as Special Standard Mail rates, resulting in a rate increase. The annual fees for destination bulk mail center (DBMC) rates and presorted Special Standard Mail will increase from $85.00 to $100.00. The fee for pickup service for Parcel Post will increase from $4.95 to $8.25 per occurrence. (Pickup service is not available for mailings claiming Parcel Post destination entry rates or Origin Bulk Mail Center (OBMC Presort) Presort discounts.)

b. Rate Structure for All Standard Mail (B)

(1) Barcoded Discount. A discount of $0.03 per piece will apply to machinable pieces in mailings meeting a 50-piece minimum quantity requirement that bear a correct and properly prepared barcode representing the 5-digit ZIP Code (or, for UCC/EAN Code 128, the ZIP+4 code) of the address on the mailpiece. Mail for each Standard Mail (B) subclass (Parcel Post, Bound Printed Matter, Special Standard, and Library Mail) must separately meet the 50-piece minimum volume requirement.

The barcode specifications and clear zone requirements are in DMM C850. UCC/EAN Code 128 as well as USS Code 128; USS Code I 2/5; and USS Code 39 symbologies will be permitted until January 10, 2004. Beginning January 10, 2004, only UCC/EAN Code 128 will be permitted. For all barcode symbologies except UCC/EAN Code 128, the barcode must represent the correct 5-digit ZIP Code of the address on the mailpiece followed by the verifier character ''9.'' The UCC/EAN Code 128 barcode must represent either the correct 5-digit ZIP Code or the ZIP+4 code for the address on the mailpiece. For the UCC/EAN Code 128 barcode, the ZIP Code information must be preceded by the Application Identifier ''420'' that signifies a domestic ZIP Code, and must not include the trailing verifier character ''9'' used with the other barcode symbologies. Mailers must print human-readable characters representing the numeric equivalent of the ZIP Code information in the barcode (i.e., omitting the verifier character or, for UCC/EAN Code 128, omitting the 3-digit application identifier characters) preceded by the word ''ZIP'' near the barcode. An exception is that the numeric equivalent of the ZIP Code information in the barcode will not be required if the barcode is on the same label as the address block and is placed in close proximity to the address.

The barcoded discount reflects the savings for parcels that are routinely processed individually on BMC parcel sorters equipped with barcode readers. Therefore, the discount will not be available for nonmachinable parcels and will not be available for parcels that are intended to bypass individual BMC sortation. The barcoded discount will therefore not be available for: (1) any nonmachinable parcel, (2) Parcel Post mail entered at destination sectional center facility (DSCF) rates, (3) Parcel Post mail entered at destination delivery unit (DDU) rates; (4) Parcel Post DBMC rate mail entered at any auxiliary service facility (ASF) other than the ASF at Phoenix, AZ (which has barcode readers), (5) Bound Printed Matter at the Carrier Route rates, and (6) Presorted Special Standard Mail at the 5-digit rate.

(2) Delivery Confirmation. A new delivery confirmation service will be available for Standard Mail (B) in early 1999. See further details under ''Special Services.''

c. Rate Structure for Parcel Post

(1) Presort Discounts for Inter-BMC Rates. A new Origin Bulk Mail Center Presort (OBMC Presort) discount of $0.57 per piece will be available for mail entered at a BMC that meets sortation criteria specific for the type of parcel. Machinable parcels must be sorted to BMCs and nonmachinable parcels must be sorted to BMCs and ASFs. A new BMC Presort discount of $0.22 per piece will be available for pieces that are sorted in the same manner as those qualifying for the OBMC Presort discount (sorted to BMCs if machinable parcels or sorted to BMCs and ASFs if nonmachinable parcels) and entered at any postal facility other than a BMC that accepts bulk mailings. To qualify for either of these rates, pieces must be part of a mailing of at least 50 pieces mailed at Parcel Post rates. See ''Mail Preparation'' below for more details.

(2) Drop Shipment Rates. New destination delivery unit (DDU) rates will be available for pieces entered at the delivery unit from which the parcels are delivered. DDU rate pieces must be part of a mailing of at least 50 pieces mailed at Parcel Post rates. New rates will also be available for pieces entered at the destination sectional center facility (DSCF). DSCF rate pieces must be part of a mailing of at least 50 pieces mailed at Parcel Post rates. DSCF rate pieces must be sorted to 5-digit ZIP Codes as described under ''Mail Preparation'' below.

(3) Balloon Rate. Any item weighing less than 15 pounds and measuring over 84 inches (but not more than 108

inches) in combined length and girth will be charged the applicable Parcel Post rate for a 15-pound parcel.

(4) Oversized Pieces. Pieces in a Parcel Post mailing will be permitted to measure over 108 inches, but not more than 130 inches, in combined length and girth. These pieces will be charged new oversized rates which are higher than the 70-pound rates.

d. Markings

(1) General. Currently, mailers are required to place subclass markings ''Bound Printed Matter,'' ''Special Standard,'' and ''Library Rate'' or ''Library Mail'' (or authorized abbreviations) on pieces qualifying for those rates. However, the Domestic Mail Manual does not clearly specify where on the mailpiece these markings must appear. Effective January 10, 2000, the current required subclass markings (''Bound Printed Matter,'' ''Special Standard,'' and ''Library Rate'' or ''Library Mail'') or their authorized abbreviations will be required to be placed in the postage area on each mailpiece (i.e., be printed or produced as part of, or directly below, or to the left of the permit imprint indicia, meter stamp or impression, or adhesive or precanceled stamp). The Postal Service prefers that mailers begin to do this as soon as possible.

(2) Parcel Post Mail. Except for mail qualifying for drop shipment rates, mailers will have until January 10, 2000, to place a ''Parcel Post'' or ''PP'' rate marking in the postage area on all Parcel Post Mail. Effective January 10, 1999, mailings qualifying for the new DSCF and DDU drop shipment rates must bear the marking ''Drop Ship'' or its abbreviation ''D/S'' and the marking ''Parcel Post'' or ''PP.'' The ''Parcel Post'' or ''PP'' marking must appear in the postage area (printed or produced as part of, or directly below, or to the left of the permit imprint or metered postage) and the marking ''Drop Ship'' or ''D/S'' must appear either in the postage area or in the line above or two lines above the address as described in DMM M012. DBMC rate mail will also be required to bear the ''Drop Ship'' and ''Parcel Post'' markings or authorized abbreviations according to these placement rules. However, since DBMC rate mail is currently required to bear the marking ''DBMC Parcel Post,'' the Postal Service is allowing mailers a one-year grace period to convert to the new marking. From January 10, 1999, to January 10, 2000, DBMC rate mailers may use either ''DBMC Parcel Post'' or ''Parcel Post'' and ''Drop Ship'' (or their applicable abbreviations). Effective January 10, 2000, DBMC Parcel Post must bear the new ''Parcel Post'' and ''Drop Ship'' markings, or their applicable abbreviations.

Effective January 10, 1999, the Postal Service is eliminating the requirement to show the 5-digit or 3-digit ZIP Code of the post office of mailing in the drop shipment marking if the postage for the piece is paid with a permit imprint and the office of mailing is in a different 3-digit ZIP Code area from the post office in the return address. The requirement for a ''Bulk Rate'' marking also will be eliminated. Mailpieces bearing the 3-digit ZIP Code of the office of mailing and ''Bulk Rate'' markings will be accepted until January 10, 2000.

(3) Bound Printed Matter. Effective January 10, 2000, the ''Bound Printed Matter'' marking must appear in the postage area of single-piece rate mail. Until January 10, 2000, the ''Bound Printed Matter'' marking may appear elsewhere on the mailpiece.

The marking ''Bulk Rate'' or ''Blk. Rt.'' will be changed to ''Presorted'' or ''PRSRT'' for bulk Bound Printed Matter mailings. The marking ''Presorted Standard'' or ''PRSRT STD'' also will be permissible. The ''Presorted'' or ''Presorted Standard'' portion of the marking will be permitted to appear in either the postage area or in the line above or two lines above the address. Mailers will be given until January 10, 2000, to begin using the new markings. Between January 10, 1999 and January 10, 2000, mailers may use either ''Bulk Rate'' or ''Presorted'' or their respective authorized abbreviation. At the mailer's option the ''Presorted'' marking may be used instead of ''Bulk Rate'' effective immediately. The name of the rate category also is changing from bulk Bound Printed Matter to presorted Bound Printed Matter. At the mailer's option the ''Presorted'' marking may be used instead of ''Bulk Rate'' effective immediately. Between now and January 10, 2000, the marking ''Bound Printed Matter'' may appear either in the postage area or in the line above or two lines above the address on presorted Bound Printed Matter. Effective January 10, 2000, the ''Bound Printed Matter'' marking on presorted Bound Printed Matter must appear in the postage area.

For carrier route Bound Printed Matter, the need for the ''Bulk Rate'' marking in addition to the ''Carrier Route Presort'' marking will be eliminated effective January 10, 1999. Carrier route Bound Printed Matter mailings must show ''Bound Printed Matter'' in the postage area and ''Carrier Route Presort'' or ''CAR–RT SORT'' in the postage area or in the line above or two lines above the address. Mailers will be given until January 10, 2000, to place the ''Bound Printed Matter'' marking in the postage area. Effective January 10, 1999, mailers will be permitted, but not required, to show the ''Presorted'' or ''PRSRT'' (or ''Presorted Standard'' or ''PRSRT STD'') marking on carrier route Bound Printed Matter in addition to the required ''Bound Printed Matter'' and ''Carrier Route Presort'' or ''CAR–RT SORT'' markings.

The ''Catalog'' or ''Catalog Rate'' marking will be eliminated for Bound Printed Matter. Pieces bearing the ''Catalog'' or ''Catalog Rate'' markings will be accepted until January 10, 2000.

(4) Special Standard. For Presorted Special Standard mail, the ''Presorted'' portion of the current marking will be permitted to be abbreviated ''PRSRT'' and to appear either in the postage area or in the line above or two lines above the address. Effective January 10, 2000, the ''Special Standard'' marking must be placed in the postage area.

f. Mail Preparation—OBMC Presort Discount

To qualify for the Origin Bulk Mail Center Presort (OBMC Presort) discount, a mailpiece must be part of a mailing of at least 50 Parcel Post rate pieces. Pieces eligible for the OBMC Presort rate must be entered at a BMC listed in DMM L601.

Machinable parcels at OBMC Presort rates must: (1) be sorted to BMCs using DMM labeling list L601 and, (2) be prepared in 69-inch pallet boxes placed on pallets, each labeled to a BMC and each containing a minimum of 52 inches of mail. OBMC Presort machinable parcels must not be prepared as parcels placed directly on pallets. Overflow containers (pallets, pallet boxes on pallets, or sacks) are not permitted.

Nonmachinable parcels at OBMC Presort rates must: (1) be sorted to BMCs and ASFs using new DMM labeling list L605 and, (2) be placed directly on pallets (no pallet boxes on pallets are allowed), each labeled to a BMC or ASF and each pallet containing at least 42 inches of mail. Overflow containers (pallets, pallet boxes on pallets, or sacks) are not permitted.

Pallets and pallet boxes also must meet the provisions of M041. The minimum height of mail in a pallet box on a pallet (machinable parcels) or of mail placed directly on a pallet (nonmachinable parcels) is measured from the top of the pallet to the top of the lowest mailpiece (i.e., excludes the height of the pallet).

g. Mail Preparation—BMC Presort Discount

To qualify for the BMC Presort discount, a piece must meet the same rules for sorting machinable parcels to BMCs and nonmachinable parcels to BMCs and ASFs as required for the OBMC Presort discount above. The difference is that BMC Presort mail may be entered at any postal facility (other than a BMC in DMM L601) that accepts bulk mailings.

h. Mail Preparation—DSCF Rate

To qualify for the DSCF rate, a piece must be part of a mailing of at least 50 Parcel Post rate pieces and must be presorted to 5-digit ZIP Code destinations. Pieces eligible for the DSCF rate must be entered at an SCF listed in DMM L005 and must be for delivery within the service area of the entry SCF. For palletized mail only, certain 5-digit ZIP Codes listed in DMM Exhibit E652.5.0 must be entered at the BMC facility serving the SCF.

To qualify for the DSCF rates the pieces must be presorted and labeled to 5-digit sacks or 5-digit pallets (including pallet boxes on pallets). Machinable and nonmachinable parcels may be combined in the same sack or on the same pallet (or same pallet box on a pallet) to meet the minimum sortation requirements. If sacked, each 5-digit sack must contain a minimum of 7 pieces, except that one overflow sack per 5-digit ZIP Code that contains fewer than 7 pieces is allowed. If palletized, each 5-digit pallet (including pallet boxes on pallets) in the mailing must meet one of the following basic minimum preparation requirements: (1) contain at least 50 pieces and 250 pounds of mail, or (2) contain at least 36 inches of mail (height of mail excluding pallet). Overflow from a full 5-digit pallet may be placed in 5-digit sacks or may be palletized. If the overflow is placed in a 5-digit sack it will be eligible for the DSCF rates. If the overflow is placed on a 5-digit pallet it is subject to the DBMC rates. Pallets prepared under the piece and pound minimum and pallets prepared under the minimum height requirement may both be combined in a single mailing. Sacked mail and mail palletized according to either of the minimum quantity options listed above also may be included in the same mailing, provided that at the time of verification the mailer separates sacks that are overflow from the palletized portion of the mailing from sacks that were prepared under the provisions for sacking mail.

If mailers can provide certain documentation, they also may prepare a mailing exclusively under the following alternate pallet preparation option. The minimum number of pieces on a 5-digit pallet (including a pallet box on a pallet) may be 35 pieces and 200 pounds provided that within the mailing the average number of DSCF pieces per 5-digit pallet is at least 50. To substantiate that no pallet contains less than 35 pieces and 200 pounds and that the average number of DSCF pieces per 5-digit pallet in the mailing is at least 50 pieces, mailers must submit documentation that lists each pallet in sequential order by pallet identification number. For each 5-digit pallet containing mail claimed at the DSCF rates the documentation must show: the unique pallet identification number, the 5-digit ZIP Code of the pallet, the total weight of pieces on the pallet, the total number of pieces on the pallet, and the cumulative total of pieces (i.e., the number of pieces on that pallet plus the sum of the pieces on all 5-digit pallets qualifying for the DSCF rates listed before it). Under this alternate pallet option, overflow from a full 5-digit pallet may be placed in 5-digit sacks or may be palletized. If the overflow is placed in a 5-digit sack, it will be eligible for the DSCF rates. If the overflow is placed on a 5-digit pallet, it is subject to the DBMC rates. Mailers using this 50-piece average-per-pallet alternative must exclude pieces that are prepared as overflow under any of the foregoing methods (sacked or palletized) from the computation (documentation) that the 50-piece per pallet average is met.

For any palletization option, mailers may place parcels directly on pallets or in pallet boxes on pallets. If pallet boxes are used they must not exceed 60 inches in height and must otherwise meet the provisions for pallet boxes in DMM M041. All pallets must meet the provisions of DMM M041.

Under any palletization option, the following additional requirements or restrictions also apply. Currently, many BMCs transport mail for certain 5-digit ZIP Code areas directly to the 5-digit associate post office. A list of these 5-digit areas is found in DMM Exhibit E652.5.0. Five-digit pallets prepared for the DSCF rate for the 5-digit ZIP Codes listed in this exhibit must be entered at the BMC, not at the SCF, to qualify for the DSCF rate. This will avoid additional handling and transportation of this mail at the affected SCFs. However, sacked mail for the 5-digit ZIP Codes listed in Exhibit E652.5.0 must always be entered at the SCF (not at the BMC). There is one exception to this rule provided for in DMM E652.1.3. This rule allows a mailer to request from the Area Manager, Operations Support, an exception to the requirement to drop palletized mail for the ZIP Codes in Exhibit E652.5 at the BMC. Such exceptions must be requested at least 15 days in advance and may only be granted for a limited time.

In addition, there are certain associate post offices that cannot handle pallets. A list of these facilities is found in the Drop Shipment Product currently available from the National Customer Support Center (NCSC) in Memphis, TN (1–800–238–3150). For these 5-digit ZIP Codes, the DSCF rate will be available only for mail that can be prepared in 5-digit sacks as described above (i.e., the DSCF rate will not be available for palletized mail for 5-digit delivery units that cannot handle pallets).

In instances where the Drop Shipment Product shows that mail for a single 5-digit ZIP Code area is delivered from more than one facility, the facility listed in the Drop Shipment Product that delivers mail to the majority of city carrier routes will be considered the delivery unit for parcel post. Two exhibits, Exhibits E652.6.0 and E652.7.0 that contain exceptions to the ''majority of city carriers'' rule, are also added to the DMM. If a 5-digit ZIP Code is listed in DMM Exhibit E652.6.0 or E652.7.0, the facility listed in one of those exhibits must be used to determine the name of the delivery unit. The name of the delivery unit must then be looked up in the Drop Shipment Product to determine if mail for it, and therefore mail for the 5-digit ZIP Code, can be prepared on pallets to qualify for the DSCF rate. At some point in the future the information in these two exhibits will be incorporated in the Drop Shipment Product.

Nonmachinable outside (NMO) parcels by definition cannot be prepared in sacks because they will not fit in a sack. Therefore, NMOs must be prepared directly on pallets or in pallet boxes on pallets as described above to qualify for the DSCF rates. If overflow pallets are prepared, the pieces on such pallets are subject to the DBMC rates. The DSCF rate is not available for NMOs at those facilities listed in the Drop Shipment Product, and Exhibits E652.6.0 and E652.7.0, as unable to handle palletized mail.

The Postal Service will unload palletized loads for DSCF rate mail. Mailers must unload sacked and bedloaded mailings. A provision has been added to allow mailers to prepare 5-digit sacks qualifying for the DSCF rate on SCF pallets. Such SCF pallets have no minimum pallet weight and may be prepared without having to first prepare all possible 5-digit pallets. A

special pallet label is prescribed for this mail in M045.12.

Except for local mailings, appointments for dropping any Standard Mail (B) at an SCF must be scheduled through the appropriate district control center (see DMM E652).

i. Mail Preparation—DDU Rate

To qualify for the DDU rate, a piece must be part of a mailing of at least 50 Parcel Post rate pieces. Pieces eligible for the DDU rate must be entered at the postal facility where the carrier who delivers the parcel is located. A list of these facilities and their telephone numbers are in the Drop Shipment Product currently available from the National Customer Support Center (NCSC) in Memphis, TN, 1–800–238–3150. In instances where the Drop Shipment Product shows that a 5-digit area is served by more than one facility, the facility that delivers mail to the majority of city carrier routes should be used for purposes of determining where to enter a destination delivery unit mailing. Exceptions to that general rule are those ZIP Codes listed in DMM Exhibit E652.6.0 and in Exhibit E652.7.0. If a ZIP Code appears in DMM Exhibit E652.6.0 or Exhibit E652.7.0, the mail must be entered at the delivery unit listed in the exhibit for that ZIP Code.

There are no specific sortation requirements for the DDU rates other than the requirement that mail must be separated by 5-digit ZIP Code when unloaded at a DDU facility. Mailers may choose to sack or palletize DDU rate pieces. If so, there are no minimum sack or pallet requirements but the sack or pallet must be labeled as a 5-digit sack or pallet. Mailers may present mail to the DDU prepared in pallet boxes on pallets provided the pallet boxes do not exceed 60 inches in height and otherwise meet the provisions of M041. The Drop Shipment Product and DMM Exhibits E652.6.0 and E652.7.0 may be used to determine which postal facilities can handle pallets. If the facility cannot handle a pallet, and mail is transported to the facility on pallets, the mailer must unload the mail from pallets into a container as specified by the delivery unit.

The mailer will be responsible for unloading all DDU loads (even if palletized). If palletized and the pallets are stacked, the mailer will be responsible for unloading, unstacking, and removing the strapping material from the pallets. Appointments for entry must be made by contacting the DDU at least one day in advance. Mailers desiring electronic confirmation of DDU mail entry also must schedule the appointment through the district control center. Standing appointments may be made if shipment frequency is weekly or more frequently. The grace period for late arrivals will be 20 minutes.

j. Destination Entry Mail Preparation—Plant-Verified Drop Shipment (PVDS)

Pieces must be part of a mailing of at least 50 Parcel Post rate pieces to qualify for DDU, DSCF, and DBMC rates and to qualify for OBMC Presort, BMC Presort, and barcoded discounts. When Parcel Post rate pieces are submitted under PVDS procedures, mailers may use the total of all line items for all destinations on a PVDS register or PVDS postage statement to meet the minimum 50-piece volume requirement. This means a mailer may enter fewer than 50 pieces at an individual destination, provided there is a total of at least 50 Parcel Post rate pieces for all of the entry points for that single mailing job listed on the PVDS register or PVDS postage statement.

k. Bulk Parcel Post

Bulk Parcel Post is a ''shell'' classification of Standard Mail (B) for which there are no separate rates prescribed. Current DMM E620.2.4e states that ''the bulk Parcel Post rate is the rate applicable to each piece in a bulk Parcel Post rate mailing at the single-piece rate or DBMC rate for that zone for an item equal to the average weight per piece for all parcels in the mailing to that zone, rounded up to the next whole pound.'' This DMM section therefore establishes a method of computing postage at Parcel Post rates. For mailings of identical weight pieces, this averaging method is irrelevant, because the average weight of all the pieces to a zone is always the weight of a single piece. For mailings of nonidentical weight pieces, DMM E620.2.2b states that this method of postage payment may be used only if authorized by the rates and classification service center (RCSC) serving the post office of mailing. The Postal Service is removing sections E620.2.2 and E620.2.4e from the DMM. Postal Service Headquarters is not aware of any mailer that is currently authorized to use this method of postage payment. If in fact there are mailers using this method, they may request that their RCSC issue an authorization for continuation of their postage payment procedure as an alternate mailing system under DMM P730. The Postal Service is implementing various new rates and discounts for Parcel Post that could be considered ''bulk rates'' because they require a minimum volume of 50 pieces per mailing. Therefore, removing references to ''Bulk Parcel Post'' rates in DMM E620 will reduce confusion in the eligibility section for Parcel Post rates in new DMM E630. As indicated above, the Postal Service also will be removing the requirement to mark pieces with a ''Bulk Parcel Post'' rate marking. New DMM E630.6.0 is reserved for any future rates and requirements for the Bulk Parcel Post classification.

7. Special Services

a. Address Correction

No changes will be made to address correction service fees. They will remain at $0.50 for manual corrections and $0.20 for automated (ACS) corrections, per notice issued.

b. Address Changes for Election Boards

No changes will be made to the fee. It will remain $0.17. See DMM R900.10.3.

c. Business Reply Mail (BRM)

(1) *Fees and Per-Piece Charges.* The annual permit fee will increase from $85.00 to $100.00, and the annual accounting fee will increase from $205.00 to $300.00. For regular BRM, mailers will pay the applicable First-Class Mail rates plus a per-piece charge. The per-piece charge for regular BRM with an advance deposit account will decrease from $0.10 to $0.08. The per-piece charge for regular BRM without an advance deposit account will decrease from $0.44 to $0.30.

(2) *Qualified Business Reply Mail.* A new classification category and rate structure will be added for qualified business reply mail (QBRM) that must be letter-size, automation-compatible, and barcoded. As a result, the BRMAS fee category will be eliminated. The First-Class rate structure for QBRM includes a lower single-piece first-ounce rate of postage of $0.30 for letters and $0.18 for cards. The fee structure requires an annual BRM permit fee, an annual BRM accounting fee, and for each piece returned a $0.05 per-piece BRM charge.

(3) *Mailpiece Design and Barcoding Requirements.* Mailpiece design and barcoding requirements will be revised for both regular BRM and QBRM. Regular BRM pieces that bear a barcode and QBRM pieces that bear a barcode will be required to meet the automation letter mailpiece design requirements in DMM C810 (except C810.7.1) and the barcoding standards in C840 so that there are uniform requirements for all mail that is processed on barcode sorters.

For barcoded and nonbarcoded BRM, references to mailpiece design

requirements in DMM C810 and C830 will replace current BRM standards relative to reflectance requirements, paper weight, tabs and self-mailers. This will add basis weight, tabbing, and other requirements for all self-mailers. It is likely that self-mailers will be processed on automated equipment. Meeting these requirements will ensure their ability to be processed without damage. QBRM and other barcoded mailpieces must meet all the mailpiece design requirements in C810 except the requirement in C810.7.1. The basis weight requirement for envelopes in C810.7.1 will not apply to BRM. BRM envelopes, including QBRM, must continue to meet the current minimum paper basis weight of 20 pounds (measured using 500 sheets of 17- by 22-inch paper). In addition, the standard in current S922.6.4 that envelope material must not have a phosphorescence exceeding 4.0 phosphor meter units is retained and corrected to state that envelope material must not have a red fluorescence exceeding 4.0 phosphor meter units. Mailers will have until January 10, 2001, to comply with the requirement in DMM C810.2.1c that Qualified Business Reply Mail pieces and other BRM pieces that bear a barcode and measure more than 4¼ inches by 6 inches meet a minimum thickness requirement of .009 inch.

Mailers currently have the option of preparing pieces with lower right barcodes according to the standards in C840. They also currently have the option of preparing the pieces so that the left boundary of the barcode clear zone and of a lower right barcode window is ¼ inch closer to the right edge of the mailpiece than required under C840, and to place the leftmost bar of a lower right barcode ¼ inch closer to the right edge of the mailpiece than required under C840. The revised standards will no longer permit mailers to use the option that does not meet the DMM C840 requirements. However, mailers will be given until January 10, 2001, to use existing stocks of such prebarcoded BRM envelopes and cards that: (1) Have a barcode clear zone with a left boundary that is 4½ inches from the right edge of the piece (not 4¾ inches as required in C840); (2) have a lower right barcode for which the leftmost bar is located between 3¼ and 4 inches from the right edge of the piece (not between 3½ and 4¼ inches as required under C840); (3) have a lower right barcode window, that has a left boundary measuring 4½ inches from the right edge of the piece (not 4¾ inches as required under C840).

The revised standards also will allow a company logo to appear beneath the delivery address line of a prebarcoded BRM or QBRM mailpiece, provided the logo is placed no lower than ⅝ inch from the bottom edge of the mailpiece and does not interfere with the barcode clear zone.

d. Carrier Sequencing of Address Cards

The fee will increase from $0.17 to $0.20. See DMM R900.1.0.

e. Certificate of Mailing

The fees will increase. See DMM R900.4.0.

f. Certified Mail

The fee will increase from $1.35 to $1.40. See DMM R900.5.0.

g. Collect on Delivery (COD)

COD fees will increase. See DMM R900.6.0. The standards in DMM S921 will also be revised to remove references to the availability of COD with single-piece Standard Mail (A).

h. Correction of Mailing Lists

The per-correction fee will be increased from $0.17 to $0.20 and the minimum per-list fee is increased from $5.50 to $7.00. See DMM R900.10.1.

i. Delivery Confirmation

A new delivery confirmation service will be available for Priority Mail and Standard Mail (B) in early 1999. This service, when available, will provide the mailer with information about the date of delivery or attempted delivery. This service will be available in two forms: (1) an electronic option for mailers who apply identifying barcodes to each piece, provide an electronic manifest, and retrieve confirmation information electronically; and (2) a retail (manual) option for which delivery information will be available through a USPS Internet address or a toll-free number. Signature (electronic return receipt) service also will be available in early 1999.

j. Express Mail Insurance

The fees for merchandise insured for $500.01 to $5,000.00 will increase. See DMM R900.8.0.

k. Insured Mail

The fees for insurance service will increase. See DMM R900.9.0. The DMM provisions in S913 will be revised to delete the applicability of insurance to single-piece Standard Mail (A). Since single-piece Standard Mail (A) will be eliminated, mail that was formerly mailed at those rates will be subject to single-piece First-Class Mail or Priority Mail rates as applicable for the weight of the mailpiece. Because First-Class Mail and Priority Mail may be insured, mailpieces formerly mailed at single-piece Standard Mail (A) rates will retain their eligibility for insurance when mailed at First-Class Mail or Priority Mail rates.

In addition, a bulk insurance service discount of $0.40 per piece is introduced. To be eligible for the bulk insurance service discount, mailers must (1) enter mailings of insured articles under an approved manifest mailing system agreement, (2) mail a minimum of 10,000 insured articles annually (a total of all insured articles mailed at multiple locations), (3) provide a hard copy of Form 3877, Firm Mailing Book for Accountable Mail, or facsimile and (4) provide a copy of Form 3877 on a diskette or other electronic medium. Mailers must submit an application for bulk insurance to their local postmaster or designee. The local postmaster or designee will approve or deny the application. Authorized mailers will be provided instructions for filing claims under the bulk insurance service by the local postmaster or designee. When systems that electronically capture information on accountable mail are completed and programming changes that will tie the St. Louis ASC into these systems are completed, mailers will be required to file claims electronically using a new (soft) electronic format for the Form 3877. When or before these changes and systems are completed, bulk insurance mailers will be provided with instructions for a new format for the electronic Form 3877 and with instructions for electronically filing claims.

l. Merchandise Return Service

The annual permit fee will increase from $85.00 to $100.00. The charge per returned mailpiece remains at $0.30. Revisions are made to the postage that is applicable to pieces returned that weigh less than 16 ounces and to the marking requirements that specify the return rate of postage. These changes will be necessary because of the elimination of single-piece Standard Mail (A) rates. Matter bearing a merchandise return label without a preprinted rate marking will be returned at: (1) the Parcel Post rate if it weighs 16 ounces or more, (2) the Priority Mail rates if it weighs over 13 ounces but less than 16 ounces, and (3) the First-Class Mail rates if it weighs 13 ounces or less. If the permit holder desires matter to be returned the Special Standard, or Library Mail rates, the permit holder will be required to preprint the appropriate rate marking on the label. If the permit holder desires matter

weighing 13 ounces or less or matter weighing 16 ounces or more to be mailed at the Priority Mail rates, the mailer will be required to preprint the Priority Mail marking on the merchandise return label. It is recommended but not required that matter to be returned at the First-Class Mail, Priority Mail, or Parcel Post rates bear the applicable preprinted marking ''First-Class'' or ''First-Class Mail,'' ''Priority Mail,'' or ''Parcel Post'' (or ''PP'').

m. Money Orders

The fee for domestic money orders will be reduced from $0.85 to $0.80. The fee for a postal military money order will remain at $0.30 and the inquiry fee will remain at $2.75.

n. On-Site Meter Settings

There will be increases to two of the on-site meter setting fees. The fee for an additional meter setting will increase from $3.25 to $4.00, and the fee for checking a meter in and out of service will increase from $7.50 to $8.50. No increases will be made to the scheduled appointment setting fee for the first meter ($27.00) or to the unscheduled or emergency setting fee for the first meter ($31.00).

o. Parcel Airlift

There will be no changes to parcel airlift fees ($0.40 for up to two pounds, $0.75 for over two up to three pounds, $1.15 for over three up to four pounds, and $1.55 for over four pounds).

p. Permit Imprint

The application fee for permit imprints will increase from $85.00 to $100.00.

q. Post Office Boxes, Caller Service, and Reserve Call Numbers

Post office box fees (except the $0 fee for all box sizes in Group E) will increase. Fees for caller service and reserve call numbers also will increase (see R900.3.0 and DMM R900.16.0).

r. Registered Mail

The maximum value level for registered mail without postal insurance will be decreased from $100.00 to $0.00. All registered mail with a value of $0.01 or more will be automatically provided with insurance (up to a maximum indemnity of $25,000 per piece). Insurance coverage is included in the applicable registered mail fee. Only mail of no value may be mailed as uninsured registered mail. In addition, registered mail fees will increase (see DMM R900.18.0).

s. Restricted Delivery

The restricted delivery fee will not change (it remains $2.75).

t. Return Receipt

Fees for return receipt will increase from $1.10 to $1.25 when requested at time of delivery and from $6.60 to $7.00 when requested after mailing.

u. Return Receipt for Merchandise

The fee for return receipt for merchandise will increase from $1.20 to $1.40, and the fee for a delivery record will increase from $6.60 to $7.00. DMM S917 will be revised to delete the availability of this service with single-piece Standard Mail (A), because single-piece Standard Mail (A) will be eliminated.

v. Special Handling

There will be no change to the fees for special handling ($5.40 for matter weighing not more than 10 pounds and $7.50 for matter weighing more than 10 pounds). In addition, DMM S930.1 will be revised to conform to the Domestic Mail Classification Schedule (DMCS) by making it clear that special handling may be used with First-Class Mail and Priority Mail.

w. Stamped Cards

A $0.01 fee per stamped card and a $0.02 fee per double stamped card will be added to cover manufacturing and printing costs. A fee of $0.40 will be added to the price of a sheet of 40 stamped cards. This is consistent with the existing fee structure for stamped envelopes, where customers are charged postage plus a small fee for the envelope itself.

x. Stamped Envelopes

The fees for some stamped envelopes will increase and others will decrease. In addition, the fee structure will be simplified: except for hologram stamped envelopes, all stamped envelopes will be grouped together by size and whether they are plain or printed.

y. ZIP Coding of Mailing Lists

Fees will increase from $60.00 to $70.00 per 1,000 addresses or fraction thereof.

C. Summary of Comments From the March 16, 1998, Proposed Rule

The Postal Service received 32 pieces of correspondence offering comments on the March 16, 1998, proposed rule. Respondents included five major mailer associations; 24 publishers, printers, and mailers; and three individuals.

The specific points raised in the comments are presented below, organized by general comments and then by class of mail and special service.

1. General Comments

Three comments were received concerning the implementation date of the new rates, fees, and classifications. Each commenter indicated that the implementation date should allow time for mailers to make software changes. Suggested dates ranged from 90 days to 8 months after the Board of Governors' decision. The implementation date for Docket No. R97–1 is determined by the Board of Governors of the Postal Service and is outside the scope of this rulemaking process. Postal management did however, consider these comments when it provided advice to the Board of Governors concerning the effective dates.

Various comments also were received that requested changes to rates and fees. One commenter requested that the revised rates not apply to his company for two to five years. These comments are beyond the scope of this rulemaking. The rates, rate structure, and basic standards for rates in Docket No. R97–1 were subject to litigation before the Postal Rate Commission and cannot be revised unilaterally by the Postal Service in a rulemaking process.

Three commenters requested that a single item not be subject to both a hazardous medical materials and an other hazardous materials surcharge. As the PRC did not recommend the proposed hazardous materials surcharges, these comments will not be addressed.

One commenter indicated that the Postal Service should re-solicit comments for any items that were affected by the PRC decision. Because the Postal Service cannot revise rates and DMCS language that is recommended by the PRC and approved by the Governors of the Postal Service, it does not believe that soliciting comments on such items would have any value.

2. Priority Mail

One commenter requested clarification as to whether Priority Mail must always bear the ''Priority Mail'' marking. This commenter further asked whether the ''Priority Mail'' marking will delay the mail when deposited in an overnight First-Class Mail area and, if so, could such mail pieces be marked ''First-Class'' instead of ''Priority Mail.'' Priority Mail must always bear the marking ''Priority Mail'' or ''Priority.'' This marking is used to ensure that mail is placed in and processed through the Priority Mail network and to collect cost

and revenue data through the Postal Service's statistical sampling systems. Deployment of the Priority Mail Processing Center (PMPC) network has affected overnight service standards for some ZIP Codes. While the vast majority of service standard changes have resulted in improved service, there are, as the commenter suggests, a small number of 5-digit ZIP Code areas that may experience two-day service instead of overnight. However, the Postal Service does not plan to waive the marking requirement for pieces mailed in such 5-digit ZIP Code areas.

3. First-Class Mail

Two commenters requested that the Prepaid Reply Mail proposal should not be implemented because of administrative complexity and costs to the mailer. For other reasons, the Governors did not approve Prepaid Reply Mail.

One commenter supported the provision allowing ''Presorted'' to be abbreviated ''PRSRT'' when used in the ''Presorted First-Class'' marking. Another commenter was concerned that it appeared the revised DMM M012.2.1a required single-piece First-Class Mail to bear a ''First-Class'' marking. The Postal Service has revised DMM M012 to make it clear that single-piece First-Class Mail is not required to bear a rate marking.

4. Periodicals

Two commenters suggested that for clarity, proposed DMM E230.3.0b and E230.4.0b concerning eligibility for 5-digit and 3-digit presort rates be revised to indicate that 5-digit and 3-digit packages of 6 or more pieces may be palletized under M045 to obtain the 5-digit and 3-digit presort rates. The Postal Service has adopted this suggestion.

Two commenters suggested that the forwarding rules table in DMM F010.5.2g should be clarified so it does not appear that use of ACS will always result in the return of the mailpiece. One of these commenters suggested that it would be clearer if the entire chart in this DMM section had been reproduced so that it was clear that footnote 1 stating ''Valid for all pieces, including Address Change Service (ACS) participating pieces'' also applied to pieces that bear no endorsement. When Periodicals pieces bear no endorsement, after 60 days or, if the piece is undeliverable, a separate address correction or reason for nondelivery is provided, the address correction fee is charged (the automated fee if ACS service is used), and the piece is disposed of by the Postal Service. The entire chart in DMM F010.5.2g is reproduced in this final rule to make it clear that this policy has not changed.

One commenter indicated that it appeared the Postal Service intends to revise current rules in DMM F010.6.1 to require that Periodicals mail with a nonincidental First-Class attachment be returned to the mailer. The Postal Service revisions to DMM F010.6.1 in both the proposed and this final rule revise only the rate of postage at which such pieces are returned from the single-piece Standard Mail (A) rate to the First-Class or Priority Mail rate as applicable for the weight of the piece. Postal Service policy for some years has provided that Periodicals pieces with nonincidental First-Class Mail attachments be returned. However, Periodicals pieces with incidental First-Class Mail attachments, as defined in DMM M070.5.0, are treated as dead mail unless endorsed ''Address Service Requested.'' To avoid confusion, in Part D of this final rule, the Postal Service has published DMM F010.6.1 in its entirety to show the treatment of incidental First-Class attachments as well as treatment of nonincidental First-Class attachments.

One commenter indicated that the current interpretation of ''mailing'' for Periodicals allows mailers to treat and report mail for different rate categories, including automation mail, carrier route mail, and other non-automation mail, as one ''mailing.'' This commenter asked if the proposed definition of a mailing in DMM M011.1.4 would require that a separate mailing statement be prepared for each rate category of Periodicals mail. The DMM currently does not allow preparation of automation, carrier route, and other non-automation mail in a single ''mailing.'' Separate presort and eligibility requirements are prescribed for each of these rate categories. However, each of these rate categories are permitted to be reported on a single postage statement for a single publication and edition. To clarify that the current practice continues to be permitted, a new section DMM M011.1.4d has been added concerning ''mailings'' of Periodicals.

5. Standard Mail (A)

Five commenters indicated their support for allowing pieces in an Enhanced Carrier Route rate mailing and/or in an automation rate mailing that have each separately met a 200-piece or 50-pound minimum quantity requirement to be counted toward the minimum quantity requirement for a Presorted Standard (3/5 and basic rate) mailing, provided that (1) the Enhanced Carrier Route rate mailing and/or the automation mailing and the Presorted Standard mailing are part of the same mailing job, and (2) the mailings are all reported on the same postage statement.

One commenter asked what DMM section E612.4.6 means. DMM E612.4.6 contains provisions that allow Standard Mail (A) matter weighing less than 16 ounces to pay Standard Mail (B) rates if those rates are lower than Standard Mail (A) rates and the matter and the mailing could qualify for the Standard Mail (B) rate except for weight. For example, suppose a mailer had flat-size printed matter pieces that met all of the qualifications for Bound Printed Matter except that the pieces each weighed 4 ounces and therefore did not meet the requirement of weighing at least one pound. In such an instance the mailer could presort the pieces as Standard Mail (A) flats and claim basic presorted Bound Printed Matter rates if those rates were less than the applicable Standard Mail (A) rates. The mailer could presort the pieces according to the Presorted Standard Mail (A) requirements to 5-digit, 3-digit, ADC, and mixed ADC, which are similar to the presort requirements for presorted Bound Printed Matter, and claim the local zone Bound Printed Matter rates provided the mailer marked the pieces ''Presorted'' or ''Presorted Standard'' and ''Bound Printed Matter'' and submitted documentation to substantiate that the pieces qualified for the local zone rate.

One commenter requested that the Postal Service not apply the residual shape surcharge to Enhanced Carrier Route rate merchandise samples prepared with detached labels. The Postal Rate Commission recommended and the Governors of the Postal Service approved a residual shape surcharge for Enhanced Carrier Route mail. Since these provisions are in the Domestic Mail Classification Schedule to take effect January 10, 1999, the Postal Service cannot unilaterally change these provisions. Therefore, merchandise samples at the Enhanced Carrier Route rates will be subject to the residual shape surcharge.

One commenter requested that the Postal Service revise the rule placed into effect under Classification Reform that allows mail whose size meets both the letter-size requirements and the automation flats requirements to be prepared as flats on pallets if a portion of the mailing qualifies for automation flats and if palletized mail at the Presorted Standard rates is limited to 10% of the total palletized mail. This rule further requires that mail unable to be palletized either due to density or because it exceeded the 10% limit be prepared as a separate letter-size mailing. This issue is not related to the

implementation rules for the Docket No. R97–1 rate case and will not be revised as a part of this rulemaking process. However, this matter has been brought to the attention of the Presort Optimization working group of the Mailers Technical Advisory Committee.

One commenter indicated that on occasion he will have a mailing that is set up as Standard Mail (A) (i.e., bears Standard Mail (A) rate markings and pre-printed endorsements for Change Service Requested using ACS) and subsequently discover that a particular mailing list has fewer than 200 names. Such a mailing would not qualify for Standard Mail (A) rates, and would be subject to single-piece First-Class Mail rates, unless it could meet the revised volume requirements under DMM E620.1.2. This commenter indicated that he could cover the bulk rate indicias with First-Class stamps, but that the ACS participant code on the mailpieces would be that assigned for Standard Mail (A), not First-Class. This commenter accordingly asked if changes could be made to the Centralized Forwarding System (CFS) to handle this, and if not, asked how could it be mailed. The CFS system cannot be modified to handle such instances. It would be unlikely that a postal employee would be able to tell that such a mailpiece was modified from a Standard Mail (A) mailpiece if a stamp is covering the bulk rate indicia. Furthermore, if mailers added ''single-piece'' or ''single-piece First-Class'' markings to such mailpieces it would be difficult and time consuming to have carriers search all undeliverable mailpieces for such markings in order to forward them to CFS sites, and then for CFS employees to notice the markings and respond accordingly. Two options have been added to the DMM for payment at First-Class or Priority Mail rates for such pieces and for pieces that for other reasons are subject to the appropriate First-Class Mail or Priority Mail rates. Mailers who desire to receive First-Class Mail or Priority Mail service on mailpieces subject to those rates must re-envelope or otherwise prepare the mailpieces so that they bear only the proper First-Class Mail or Priority Mail rate markings, ancillary service endorsements, Address Change Service (ACS) codes, etc. Metered pieces weighing over 13 ounces and less than 16 ounces must always be prepared under this method. Except for metered pieces weighing over 13 ounces and less than 16 ounces, mailers who do not desire to receive First-Class Mail or Priority Mail service on such pieces may submit them ''as is'' (i.e., bearing the Standard Mail (A) markings and endorsements). No additional markings or postage are to be added to these pieces. First-Class Mail or Priority Mail postage must be paid for these pieces using the appropriate First-Class or Priority Mail postage statement. Except for metered pieces weighing over 13 ounces and less than 16 ounces, mail bearing metered or precanceled stamp postage must pay the difference between the postage affixed and the First-Class Mail or Priority Mail rates by means of an advance deposit account or by affixing a meter strip for the appropriate amount to the First-Class postage statement. If the pieces weigh 13 ounces or less, mailers must use special line items on the new First-Class postage statements under the heading ''From Standard Mail (A)'' to record the pieces mailed. This option may be used for fewer than 200 pieces of permit imprint mail only if the pieces were part of a larger mailing job and are submitted for acceptance along with the mail and a Standard Mail (A) postage statement for the other pieces in the same mailing job.

One commenter was concerned that the revised definition of a mailing in DMM M011.1.4d(6) seemed to preclude his company's current practice of co-mailing Nonprofit and Regular rate mail. This section has been renumbered as M011.1.4e(6) in this final rule. This section begins with the phrase ''Except as provided by standard,'' which means that other rules in the DMM may permit practices that entail combining or copalletizing such pieces. For clarity the following sentence was added to this section in the final rule. ''See M041.6.0, M045.5.0, M045.7.0, and M200.6.0 for copalletized, combined, or mixed-rate level mailings.'' Accordingly, if a mailer is currently authorized to combine or copalletize Nonprofit and Regular rate mail, he or she may continue to do so after the new rates and mailing definitions are effective.

Two commenters supported the change in the Standard Mail (A) rate marking for Regular rate mailings from ''Bulk Rate'' to ''Presorted Standard.'' Two commenters indicated that the ''Presorted Standard'' marking should be optional. These two commenters indicated that they would prefer to use the new marking on their advertising mail but do not wish to use it on fulfillment parcels because it will be costly to revise the current cartons. One of these commenters indicated that if the marking is not made optional, there should be a transition period of at least two years for mailers to convert to the new marking. For simplicity in its statistical sampling systems, the Postal Service will not allow both markings to be used indefinitely. However, mailers will be given two years to convert their regular rate Presorted, regular rate automation, and regular rate Enhanced Carrier Route mailings to the new ''Presorted Standard'' marking or its authorized abbreviation ''PRSRT STD.'' Until January 10, 2001, either the ''Bulk Rate'' or the ''Presorted Standard'' marking or authorized abbreviation will be accepted.

Five commenters requested that the proposed ''RSS'' marking for pieces subject to the residual shape surcharge be eliminated. Four of these commenters indicated the marking uses too much space on a mailpiece, one indicated that it detracts visually from the mailpiece, two did not see the purpose of it, and one indicated it would require additional labor for the shipper. One commenter was a mailer association, who indicated it would be impossible for some of its mailers to predict which pieces would need the marking. One such mailer has pieces that could be considered either flat-size or a machinable parcel and decides which way to prepare the mail based on the density of orders received. Only machinable parcel mailings would need to bear the marking. Another such mailer indicated they cannot predict the final size of the product shipped ahead of time. For example, multiple pieces ordered could be sent as one or more pieces each having a different shape. Based on the comments received, the Postal Service has determined to not require the use of an ''RSS'' marking.

6. Standard Mail (B)

a. General

There were 10 commenters among the 32 submitting comments to the Postal Service whose statements concerned Standard Mail B topics. Of the 10, seven were private firms, including three parcel consolidators, and three were parcel shipper associations. Their comments concentrated mainly on the following subject areas: barcoded discount, destination mailings at the sectional center and delivery unit levels; new bulk mail center presort (BMC Presort) and origin bulk mail center presort (OBMC Presort) discounts; 10% limitation on oversized parcels; criteria for machinability and nonmachinability; combined mailings of Standard Mail (A) and Standard Mail (B) parcels; and vehicle unloading requirements.

In addition to receiving comments as part of the formal rulemaking process, the Postal Service has had extensive ongoing exchanges of viewpoints with representatives of the parcel shipping industry. This cooperative effort has led

to the development of revised standards that the Postal Service believes strikes a better balance between the interests of mailers and their concerns about qualifying for the most advantageous postage rate discounts at the lowest possible mailing costs and the needs of the Postal Service for providing high-quality service, containing costs, and optimizing operational efficiency. Significant revisions have been made in the proposed standards, especially as they relate to mail preparation requirements for the new destination sectional center and delivery unit discount rates.

Several other issues unrelated to the R97–1 rate case emerged and are not addressed in the final standard. These issues concern extension of the destination bulk mail center rates (DBMC) to Alaska, Hawaii, and Puerto Rico, new criteria for parcel machinability or nonmachinability, and updated definitions of ''perishable'' and ''nonperishable'' parcels that take into account improved packaging and containerization. They will be reviewed separately by the Postal Service in the future and any changes to existing standards will be handled through separate rulemaking procedures.

b. Parcel Barcodes

Two commenters indicated that they would support a barcode certification process, and that this process should be published at least 60 days prior to rate availability. In lieu of a barcode certification process, the Postal Service is looking at methods to verify the quality of barcodes during the verification process using commercially available barcode verification equipment.

One commenter indicated that the barcoded discount should be available for pieces processed at any postal facility that is automated to use the ZIP Code barcode for sorting, including ASFs that now or in the future have barcode scanning capabilities. The Postal Service has determined that the Phoenix, Arizona, ASF has barcode scanning capabilities. Accordingly, the Postal Service has revised the standards for eligibility for the barcoded discount for Parcel Post mail to include machinable parcels eligible for the DBMC rate that are entered at the Phoenix ASF.

One commenter raised a question about the need for having human-readable characters representing the 5-digit barcode appear on a mailpiece's address label since it duplicates information already provided in the address and takes up limited label space. Having the human-readable ZIP Code appear as part of the barcode printing process immediately below the barcode is useful in determining that the correct barcode was applied to the mailpiece, particularly if the barcode is applied in a process separate from applying the address. Since generally the ZIP Code in the address block is used in the process of applying an address block barcode, the Postal Service has decided to revise the standard. Therefore, the numeric equivalent of the barcode will not be required to appear immediately below the barcode when the barcode is printed as part of the address block (on the same label as the mailing address and in close proximity to that address). However, if the barcode label is produced separately from the address label, the human readable ZIP Code information must be included. This decision will give mailers some flexibility in how they prepare their address labels while still meeting postal concerns about having barcodes that are correct for the addresses on the parcels.

Another commenter raised several questions about the technical specifications included in the proposed rule. Clarification was requested for the average measured narrow element (bar or space) width. The average measured narrow element is the barcode X-dimension that typifies the arithmetic mean of the barcode narrow elements. A minimum clear or quiet zone equal to 10 times the average measured narrow element (bar or space) width must be maintained on either side of a barcode as defined in ANSI X3.182–1990.

A second question was whether mailers and their suppliers would have to start measuring barcode spaces and bar widths more scientifically to determine what dimension is appropriate for the clear space surrounding parcel barcodes on either side. The Postal Service is confident that mailers will be able to determine the average narrow element widths and barcode quality by using commercially available barcode verification equipment.

A related question had to do with how the Postal Service would administer this specification. The Postal Service is looking at methods to verify the quality of barcodes during verification by using commercially available barcode verifiers to measure barcode parameters.

Another question concerned the basis for requiring a minimum clear zone equal to 10 times the average measured narrow element (bar or space) width on either side of the barcode. The advantage to the Postal Service for using a minimum clear zone of 10 times the average narrow element width is to ensure the reliable reading of barcodes on currently deployed postal equipment. The quiet zone specification for the barcode symbologies in question is defined in the AIM/USS symbol specification. Additionally, manufacturers of barcode readers advise that a minimum clear zone of 10 times the average narrow element width enhances barcode readability.

This commenter also asked why the ⅛-inch dimension could not be used. The reason is that ⅛ inch is less than 10 times the average narrow element width for the minimally defined narrow element width of 13 mils, and, therefore, not in compliance with the AIM/USS symbology specification and the ANSI print code quality guidelines (ANSI X3.182–1990). Another question from this same commenter concerned whether the proposed measurement would allow greater room for shifting of the piece under the barcode reader on the parcel sorter machines. The proposed clear zone specification is the minimum acceptable standard as provided in the ANSI print code quality guidelines of ANSI X3.182–1990.

c. Oversized Parcels

The Postal Service had included in the proposed rule provisions for mailing oversized parcels (parcels exceeding 108 inches but not more than 130 inches in combined length and girth) at the rates equal to a 70-pound parcel for the applicable zone provided they constituted no more than 10% of the total pieces in a mailing. Two commenters questioned the 10% limit. The PRC's recommended decision included zoned rates for such oversized pieces that are higher than the 70-pound rates. The PRC did not recommend a 10% limit on such pieces but recommended higher rates. Since the Governors of the Postal Service approved this provision of the PRC's recommended decision, the final DMM standards do not include a 10% limit on such oversized pieces.

d. DSCF Rate Mailings

Nine of the 10 Standard Mail (B) commenters had comments about the proposed standards for destination sectional center facility (DSCF) and delivery unit (DDU) rate mailings. Three parcel consolidation shipping companies submitted comments favoring more flexible, less restrictive requirements. In general, the comments favored lower minimum volumes for rate eligibility than those proposed by the Postal Service, optional entry points, and greater flexibility in the preparation requirements so mailers could choose to

prepare pieces directly on pallets, in pallet boxes on pallets, or in sacks.

One commenter proposed that the Postal Service eliminate the use of sacks for the DSCF rate. This commenter believed that eliminating sacks as an option would avoid additional handlings of sacks at postal facilities. This commenter also indicated that very few parcel mailers would be able to place 10 parcels in a single sack and that this minimum could effectively eliminate sacked mail. Five other commenters also thought the proposed sack minimum of 10 pieces was too high and said it would discourage DSCF mailings. While several commenters proposed adopting minimums that would utilize sack volume and weight factors, these factors are not included as part of the costing determinations for the rate. The critical cost determinant for the rate is the number of pieces per handling. In the final DMM standards the minimum number of pieces per sack has been reduced from 10 to seven. The decision to reduce the minimum to seven pieces is being made with the expectation that an average of 10 pieces per sack will be achieved to support the worksharing discount. In addition, the final DMM standards allow for one overflow sack per 5-digit destination that may contain fewer than seven pieces.

Six commenters sought to eliminate the provision prohibiting overflow pallets. One commenter said that since overflow trays of letters are permitted, overflow pallets of parcels also should be allowed. This argument is not persuasive because the cost of handling a pallet is much greater than the cost of handling a tray. It costs as much to handle a less-than-full pallet as it does a full one. However, the standard has been modified in this final rule to accommodate overflow from pallets. Provisions have been added to the DMM standards that allow overflow from 5-digit pallets to be placed in 5-digit sacks. Overflow sacks will have no minimum piece requirement and the pieces in overflow sacks will be eligible for the DSCF rates. The Postal Service also has added provisions that will allow a mailer to present to a DSCF overflow 5-digit pallets (that by definition do not meet the pallet minimums for the DSCF rate) provided the DBMC rates are paid for the pieces on such overflow pallets.

Five commenters expressed concern over the 5-digit pallet minimums specified in the proposed rule. In setting the minimum specified in the proposed rule, the Postal Service was guided by per-piece handling costs and concerns that a reduction in the average number of pieces per handling resulting in higher costs, would adversely affect the viability of the rate. Small volume pallets would increase handling costs and also would take more cube space on transportation. While suggesting differing alternatives to the Postal Service proposal, these five commenters were in agreement that the requirement of a minimum of 50 pieces and 250 pounds per pallet was too high. To resolve their concerns and those of the Postal Service about piece handling and transportation costs, the Postal Service has added a new option for preparing 5-digit pallets to qualify for the DSCF rate. Under the new option, pallets may be prepared that contain as few as 35 pieces and 200 pounds of mail provided the total number of pallets prepared for the DSCF rate in the mailing average at least 50 pieces per pallet. Under this new option, no other pallet preparation or sack option may be used within a single mailing. Mailers will be required to submit detailed documentation and place sequential identification numbers on qualifying pallets of DSCF rate mail. The documentation must list each pallet in sequential order by pallet identification number. The listing must show for each pallet: the pallet identification number, the 5-digit ZIP Code of the pallet, the total weight of pieces on the pallet, the total number of pieces on the pallet, and the cumulative total of pieces (i.e., the number equal to the number of pieces for that pallet plus the sum of the pieces on all pallets listed above it). This documentation must not include pieces prepared in overflow sacks at the DSCF rate, pieces prepared on overflow pallets at the DBMC rates, or pieces claimed at any other rate in the mailing.

The requirement for BMC entry of DSCF rate mailings prepared on pallets to ZIP Codes listed in Exhibit E652.5.0 has been retained. The BMC provides direct transportation to the 5-digit facilities represented by the listed 5-digit ZIP Codes, thereby allowing certain quantities of mail to bypass the affected SCFs. The Postal Service believes that there is a need for palletized mail for the 5-digit ZIP Codes listed on Exhibit E652.5.0 to continue to bypass the affected SCFs because of the potentially limited capabilities of those SCF facilities. Three commenters said that they would like to have an option to enter DSCF rate mailings either at a BMC or an SCF. To support this position, one commenter contended that the same dock procedures for handling 5-digit containers are followed at the SCF as are followed at the BMC and that the distance from the SCF to a 5-digit facility would be less than from the BMC. The Postal Service disagrees. BMCs do not currently sort sacks to 5-digits or cross-dock 5-digit sacks. They are shipped to the SCF in 3-digit containers and are re-worked to 5-digits at the SCF, thus adding handlings. Further, granting an option on a blanket basis is likely to worsen the problems experienced by some sectional center facilities in accommodating palletized mailings due to limited dock space, restricted vehicle maneuvering area, and other constraints. Recognizing that requiring BMC entry may present certain difficulties for mailers, the Postal Service has amended the proposed standard to allow exceptions on a case by case basis. A mailer may submit a written request to the appropriate Area Manager, Operation Support asking for an exception to Exhibit E652.5.0. The exception request must be submitted at least 15 days prior to the mailing and may be granted only for a limited time.

The proposed standard specified that palletized DSCF rate mailings must be entered at the appropriate BMC listed in Exhibit E652.5.0. and sacked mailings must be entered at an SCF. Two commenters objected to these requirements. Since the requirement is consistent with the costing and worksharing assumptions that underlie the rate, it has been left unchanged. The rate assumes no handling of sacks at BMCs. Some mailers who were claiming the DBMC rate will benefit because now they can get a DSCF rate when dropping at a BMC.

A parcel consolidator also stated that the DSCF rate should be allowed for mail prepared on pallets for 5-digit facilities that are not capable of handling pallets according to the Drop Shipment Product. The requirements as written allow the Postal Service to recoup the cost savings passed on to the mailer in the lower DSCF rate. These cost savings will not be realized if the SCF facility receives a 5-digit pallet for a 5-digit facility that cannot handle pallets. The SCF would need to manually unload the parcels off of the mailer-prepared 5-digit pallet and place them into another type of 5-digit container before the SCF could transport the parcels to that 5-digit facility. Accordingly, the DMM standards will not be revised to allow the DSCF rate for mail prepared on pallets for 5-digit facilities that are not capable of handling pallets.

Six commenters requested reconsideration of the prohibition against use of pallet boxes on pallets. After further evaluation, the Postal Service decided to allow the use of

mailer-supplied pallet boxes that measure up to a maximum of 60 inches in height, except in the case of facilities unable to handle pallets. There is no minimum height requirement for the pallet box as long as the appropriate piece and pound minimum requirement or the 36-inches of mail minimum requirement are met for each pallet. One commenter also asked to be allowed to double-stack pallet boxes on pallets. The proposed standard has been revised to permit double stacking. Just as pallets are not allowed at the DSCF rate for those 5-digit destinations listed in the Drop Shipment Product as unable to handle pallets, pallet boxes on pallets will not be allowed for those same offices.

e. DDU Rate Mailings

The proposed standard did not allow the use of pallet boxes for DDU rate mailings. Four commenters felt that pallet boxes should be allowed. The Postal Service agrees that they may be used and that mailers will need to supply them. If a mailer chooses to do so, they may be double-stacked. As with DDU mailings that are bedloaded or sacked or prepared as parcels placed directly on pallets, the vehicle driver is required to unload the pallet boxes and place them at a designated location at the delivery unit. If they are double-stacked, the driver must remove them from the vehicle, unstack them, and then remove any strapping material. At DDU facilities listed in the Drop Shipment Product as being unable to handle pallets, mail that has been placed directly on pallets or in pallet boxes on pallets must be off-loaded by the vehicle driver from the pallet or pallet box into other containers specified by the delivery unit.

Two commenters stated that Standard Mail (A) pieces should be counted towards the minimum volume required for the DDU rate. However, eligibility for the DDU rate category, as with each of the other destination rate categories for Parcel Post, has a fixed minimum volume requirement of 50 pieces of Parcel Post mail. This requirement is in the Domestic Mail Classification Schedule (DMCS) and cannot be unilaterally modified by the Postal Service.

One commenter asked whether a separation would be required beyond a 5-digit destination to be eligible for the DDU rate. The Postal Service requires a 5-digit separation only. However, if more than one 5-digit ZIP Code is served by a delivery unit, the mailer must separate the pieces by 5-digit ZIP Code when entered at the DDU.

Another commenter wanted to bedload parcels entered at DDUs. Mailings may be bedloaded, placed directly on pallets, or placed in pallet boxes on pallets, if the facility can handle them. Since the DDU rate is based on worksharing factors that do not include unloading by Postal Service employees, the requirement for vehicle drivers to unload all DDU rate mailings is retained.

f. OBMC Presort and BMC Presort Rate Mailings

Three commenters questioned why it is required that machinable parcels be placed in pallet boxes on pallets and why they could not be placed directly on pallets. In addition, three commenters wanted to use pallet boxes for both machinable parcels and nonmachinable parcels. The proposed standard has been left unchanged. The cost savings underlying the discount for machinable parcels assumes that machinable parcels are placed in pallet boxes that can be dumped by tipping the box onto the parcel sorting equipment instead of having to manually unload individual pieces from a pallet. A pallet box is placed at an incoming door of a BMC where there is a dumping operation. Nonmachinable parcels must be placed directly on pallets because they are worked at separate locations within a BMC. They are not dumped onto a parcel sorting machine since they are not machinable. These nonmachinable pieces are sorted manually. It is safer and more efficient to manually remove such pieces from pallets when they are placed directly on the pallet rather than in a pallet box.

One commenter indicated that the proposed documentation for the BMC Presort and OBMC Presort discounts that requires a listing of the number of pieces on each individual BMC pallet was too onerous. The commenter suggested that a listing by BMC destination should satisfy the needs of the Postal Service. The Postal Service has reconsidered its documentation needs for verification purposes. Metered mail is required to bear the exact postage on each piece and, therefore documentation is not needed to verify postage. Permit imprint mail must be prepared so that all the mail in a single container is of the same weight and rate of postage unless the mail is prepared under a manifest mailing system or another system of documentation or records that permits the Postal Service to adequately verify postage. The manifest system will require mailers to list pieces for these rates by BMC destination. Accordingly, the Postal Service does not believe that any additional documentation will be necessary for mail entered at the BMC Presort or OBMC Presort discounts and has removed the documentation requirement from the DMM standards in this final rule.

One commenter requested that the proposed standards for BMC Presort and OBMC Presort discounts be changed to allow overflow containers if the container was at least 50% full. The rate is based on piece handling efficiencies that are not realized when the containers do not meet the required minimum volumes. Therefore the prohibition on overflow containers has been retained.

g. Bedloading

A requirement was included in proposed standard DMM E652.2.1 that perishable and nonperishable items in a bedloaded DBMC or bedloaded DDU rate mailing would have to be separated. Fruit shippers in particular expressed opposition to this on grounds that the current method of preparing mailings without separation was satisfactory and that the new requirement would only add to their mail preparation costs. The Postal Service has removed the requirement from the final standard after further consideration of the need for separation.

Two commenters also requested to be allowed to bedload DSCF rate mailings as is allowed for DBMC and DDU rate mailings. The original provision limiting bedloading to DBMC rate mail entered at BMCs and ASFs and to DDU rate mail entered at delivery units has been retained in the final standard. This is because the DSCF rate is based upon receiving 5-digit containers of parcels that can be cross-docked to the 5-digit delivery unit.

h. Destinating Facility Appointments and Vehicle Unloading

The standard requiring the mailers' drivers to unload destination delivery unit mailings was the principal area drawing opposing comments. Six commenters objected to the driver unloading requirement for the DDU rate. A parcel shippers association and a company commenter took the position that unloading by drivers should be limited to bedloaded shipments only. The same two commenters said that postal employees should unload pallets of Standard Mail (B) parcels just as they do [Standard Mail (A)] flat mail. The current standards for the Standard Mail (A) DDU rates do however, require that vehicle drivers must unload DDU rate mailings. The comments of the parcel shippers association included a suggestion that assistance by postal

employees should be provided whenever possible. One commenter questioned the unloading requirement on the basis that the Postal Service was unlikely to make forklifts available to drivers and another raised the possibility that having drivers unload mailings might violate a postal labor agreement.

Since the worksharing DDU rate assumes that postal employees will not unload shipments from vehicles, it was necessary for the Postal Service to retain the proposed standard without amendment. However, to facilitate the scheduling of drop shipments to delivery units, a provision has been made to allow standing appointments if shipment frequency is weekly or more often. Another change was made with respect to the proposed standard covering deposit conditions (E652.3.7) that stated mailings arriving more than 1 hour late for scheduled appointments at delivery units may be refused. This 1-hour allowance was incorrect. The proposed standard should have indicated 20 minutes to be consistent with current deposit conditions at delivery units for Standard Mail (A) mailings. Accordingly, the standard has been modified to specify 20 minutes.

Several comments were received about destination entry shipments that generally requested an easing of existing provisions. For example, one commenter wanted to see the requirement for the time allowed for driver unloading of destination entry shipments to BMCs, ASFs, and SCFs increased from 8 to 12 hours. Another company submitting comments disagreed with the existing 2-hour grace period allowed for scheduled appointments at BMCs, requesting that the time allowance be doubled or even expanded to 8 hours during the peak fall mailing season. Such liberalization of existing standards would adversely impact the window needed by the Postal Service to handle mailings and will not be adopted.

Another commenter wanted the Postal Service to allow a drop and pick option for palletized loads at BMCs. Again, the impact on postal operations of such a change would be negative, as, for example, postal employees would then have to shuttle trailers back and forth from staging areas to facility docks and back. Accordingly, this comment will not be adopted.

Two commenters maintained that the Postal Service should reimburse mailers for waiting time charges, demurrage, or other detention costs when the cause is clearly attributable to the Postal Service or, alternatively, that there should be an expanded appeal process to the national Headquarters level. Under existing procedures two appeal levels, local facility manager and district manager, customer service, are already available to mailers. While the Postal Service is willing to consider possible future changes, no changes are made at this time.

i. Markings

Two commenters supported the proposed use of a single drop shipment marking for DBMC, DSCF, and DDU Parcel Post rate mail. One commenter disagreed with the requirement for any drop shipment markings. Drop shipment markings are needed to develop meaningful statistical samples for the in-office costing system. Costs developed from this system are used in rate cases. Although individual rate markings for each of the drop shipment rates would result in more accurate costing, the Postal Service has determined, based on mailer input, to require only a single drop shipment marking for use on DBMC, DSCF and DDU Parcel Post rate mail. An exception will be that the current ''DBMC Parcel Post'' or ''DBMC PP'' marking will continue to be permitted on DBMC rate mail instead of the new ''Parcel Post'' and ''Drop Ship'' markings until January 10, 2000.

One commenter indicated that the ''Presorted Standard'' marking should be extended to Standard Mail (B). This commenter stated that many mailers now use the ''Bulk Rate'' indicia for both Standard Mail (A) and bulk Bound Printed Matter mailings by simply adding the ''Bound Printed Matter'' marking directly to the left of the ''Bulk Rate'' indicia. The Postal Service has amended this final rule to allow use of the ''Presorted Standard'' marking in lieu of the ''Presorted'' marking for presorted Bound Printed Matter.

One commenter asked what will happen to an individual customer's mail if it does not bear the ''Parcel Post'' marking. If this mail is entered at a retail window, the retail clerk will add the marking to the mailpiece. If this mail is entered at an acceptance unit, the appropriate verification and acceptance processes will be performed to ensure that the mail is entered with proper markings. Since matter weighing over 16 ounces is not permitted to be placed in collection boxes, there is little likelihood that mail without the ''Parcel Post'' marking will be entered in the mailstream.

j. Combined Parcels

One commenter stated that Standard Mail (A) parcels should be permitted to be combined with Standard Mail (B) parcels prepared for DDU entry because the preparation requirements are identical. The Postal Service disagrees with this statement. To qualify for Standard Mail (A) DDU rates, pieces must be sorted to carrier route. Except for merchandise samples prepared with detached address labels, the maximum size of Enhanced Carrier Route mail is 11¾ inches high by 14 inches long, by ¾ of an inch thick (which is flat-sized mail). Because of the maximum size dimensions and the requirement to walk-sequence or LOT-sequence Enhanced Carrier Route mail, the only parcels that can qualify for Enhanced Carrier Route rates are merchandise samples prepared with detached address labels. The separate preparation requirements for merchandise samples with detached address labels prepared to qualify for the Enhanced Carrier Route rates does not lend itself to combined preparation with Standard Mail (B) parcels. Accordingly, Standard Mail (A) and Standard Mail (B) parcels will not be permitted to be combined when qualifying for their separate DDU rates.

One commenter requested that the requirement for minimum volumes to be met by Standard Mail (B) alone should be removed since the incentive for combining classes is to use the combined volume to meet the pallet and sacking minimums. Meeting the pallet and sack minimums based on Standard Mail (B) alone is required only when the Standard Mail (B) preparation method requires a minimum number of pieces (e.g., it is not required when the DSCF minimum of 36 inches of mail on a 5-digit pallet is used). The Postal Service wants to ensure that it is moving a substantial volume of mail on a single 5-digit pallet. If mailers fill a pallet with 36 inches of predominately Standard Mail (A) mail, it would take a large number of Standard Mail (A) pieces to do so. By the same token, placing predominately Standard Mail (A) parcels on a pallet based on a 50-piece minimum criteria could result in a very small pallet. Therefore the Postal Service is retaining the rules as proposed.

7. Special Services

a. Business Reply Mail

Eleven comments were received concerning the proposal to increase the minimum thickness of BRM pieces from 0.007 inch to 0.009 inch thick for those pieces that bear a barcode and measure greater than 4¼ by 6 inches. Nine commenters stated that 0.009 inch thick paper stock is more expensive than 0.007 inch thick paper stock. Six

commenters indicated that the increased weight of the stock would increase shipping and trucking costs of the paper stock and increase pound-rate postage on the outgoing mailpiece (publication) that the BRM piece is inserted into. Four commenters suggested that mailers will cease using the cards and use some other medium than the mail to increase their circulation and market their products. One commenter stated that this change is not directly related to rate and fee increases in Docket No. R97–1. One commenter suggested the Postal Service develop a new maximum size limit that could be used with 0.007 inch thick paper stock, such as 5 inches by 7 inches. Four commenters stated that the Postal Service should study the impact on mailers and the Postal Service before adopting this requirement. Three commenters indicated that no compelling rationale for this change was provided in the proposal, such as the existence of machinability problems. Nine commenters indicated that there is currently only a limited supply of 0.009 inch card stock. Two commenters indicated that mailers would need a grace period before this requirement went into effect so that their printers could develop new paper supplies. One commenter indicated that Postal Service testimony in R97–1 indicated that only a small proportion of BRM is processed through BRMAS or through barcode sorters and that the additional expense of thicker paper stock is not warranted if the pieces are not likely to be handled in an automated fashion.

A low incidence of processing mail on barcode sorters is true only for the accounting activities related to BRM. However, the lower First-Class postage rate for QBRM is based on lower costs due to processing pieces on barcode sorters in non-accounting operations (i. e. in processing the mail from the collection box to the facility where the accounting procedures are performed).

The Postal Service has adopted the minimum thickness requirement of 0.009 inch for pieces measuring over 4¼ in height and/or 6 inches in length as proposed. This requirement is based on engineering studies. These studies have shown that mailable pieces not larger than 4¼ by 6 inches with a minimum thickness of 0.007 inch and meeting specified basis weight requirements can be successfully processed on automation equipment, while pieces larger than 4¼ by 6 inches generally must be 0.009 inch thick to be successfully processed on automation equipment. Adoption of this rule will ensure that business reply pieces entered at the automation QBRM rate or that otherwise bear a barcode will be sufficiently sturdy to be successfully transported through postal automation equipment and will minimize the potential for damaged pieces. The Postal Service implemented this minimum thickness requirement for automation rate mailings on February 24, 1991, based on these studies and on mailer complaints concerning damaged pieces. Although at that time these minimum thickness requirements were not applied to BRMAS or other barcoded BRM pieces, the Postal Service believed then and believes today that the 0.009 inch minimum thickness requirement for pieces measuring over 4¼ by 6 inches is necessary for efficient processing on automation equipment. In view of the discounted First-Class postage rate applied to QBRM postage that is based primarily on the savings for automated processing, the Postal Service feels it is appropriate to apply the same standards to this mail as it does to other mail entered at automation rates. The Postal Service understands that mailers may need time to deplete existing stock of BRM mailpieces and to develop suppliers of thicker paper stock. Therefore, the effective date of the 0.009 inch minimum thickness requirement for barcoded BRM pieces measuring over 4¼ by 6 inches will be January 10, 2001. This gives mailers 2–½ years notice to comply with this change.

Only one comment was received regarding barcode placement. This commenter indicated that the proposed change to DMM S922.5.1 was confusing. This commenter assumed that the Postal Service was not seeking to further restrict placement of barcodes on letter-size BRM and asked why the one-year grace period for compliance was needed. The proposed change was to make the placement of lower right barcodes for BRM comply with C840. Currently, pieces of BRM prebarcode in the lower right corner may: (1) have a barcode clear zone with a left boundary that is 4½ inches from the right edge of the piece (not 4¾ inches as required in C840); (2) have a lower right barcode for which the leftmost bar is located between 3¼ and 4 inches from the right edge of the piece (not between 3½ and 4¼ inches as required under C840); (3) have a lower right barcode window, that has a left boundary measuring 4½ inches from the right edge of the piece (not 4¾ inches as required under C840). The final standards in DMM S922.5.1 have been revised to clarify this matter. Mailers will be given until January 10, 2001, to use existing stocks of such prebarcoded BRM envelopes and cards and to procure new stock that meets the DMM C840 requirements.

One comment was received questioning why proposed S922.6.8c(4) prohibits the use of business reply labels on letter-size envelopes with a height more than 4½ inches. This is not a change. The same standard appears today in S922.6.10c(4). This standard will be maintained in order to assure the readability of the address on the letter-size piece. If labels were permitted on letter-size pieces up to the maximum height of 6⅛ inches, the address on the label would not be placed within the optical character read (OCR) area of the mailpiece.

One comment was received regarding the format error notification process described in proposed DMM S922.5.3. The commenter stated that although mailers are willing to correct errors immediately, they need a grace period in which pieces already distributed will be returned. The cited DMM section only requires that all future BRM pieces distributed by any means must meet the BRM format standards. This commenter also indicated that the requirement for mailers who have had their BRM permit revoked for repeatedly distributing BRM mail that does not meet the format requirements to submit 2 samples of each BRM format for approval for a two-year period after completing a new BRM application is overly punitive. The commenter stated publishers receive inserts too close to printing dates to allow time for the Postal Service to review the format. The commenter should note that this provision is not a change. The same standard appears today in S922.5.7 and has been in place for several years. The Postal Service feels that no change in policy is warranted at this time. This provision only applies to permit holders whose permit was previously revoked for repeated format violations and should not affect the vast majority of mailers.

b. Insurance

One commenter requested clarification of DMM S913.12b. He indicated it is not clear what level of service would be provided to an item mailed under this DMM section. This section in essence states that matter mailed at First-Class Mail or Priority Mail rates may be insured only if it consists of matter that could also be mailed at Standard Mail rates (that is, it is not any of the types of items required to be mailed at First-Class rates under DMM E110). The level of service provided for these items will be First-Class or Priority Mail service according to the weight of the item and the rate of postage paid.

c. Return Receipt Service

Three commenters had concerns over the Postal Service's proposal to modify DMM D042.1.7a and b. The proposed revisions stipulated that organizations receiving large volumes of pieces bearing return receipts would only need to sign a manifest listing all of the accountable mail before the mail was delivered to the organization. The current DMM rules stipulate that the recipient sign the delivery receipt and the return receipt and hand the receipts over to the Postal Service before the mailpieces can be opened, or given to the recipient. These commenters were concerned that allowing customers to complete return receipts without Postal Service controls is inappropriate and does not guarantee the customer that the return receipt he or she has paid for will be returned or will be completed properly. The Postal Service proposed this revision to reflect the operational conditions in plants that employ automated delivery receipt systems for processing accountable mail. However, based on the mailer comments received, the Postal Service determined not to revise DMM D042.1.7a and b. The Postal Service will work with its customers that receive large volumes of return receipts to ensure that our customers get the recipient's signature, date of delivery, and address, if different, under the standards in the current DMM.

e. Requests for Use of Various Special Services With Standard Mail (A)

Two commenters recommended that DMM E612.4.10 be revised to allow COD, insurance, and registry service with Presorted Standard Mail (A). Another commenter indicated that certified, COD, insurance, registered, return receipt, return receipt for merchandise, special handling, and delivery confirmation services should be available for Standard Mail (A) since these services are available today for merchandise and providing these services would generate revenue. DMM E612.4.10 contains the information in current DMM E612.4.1. This section states that bulk rate Standard Mail (A) may not use certified, collect on delivery, insurance, registry, return receipt for merchandise, and special handling services. The proposed DMM language simply moved this information into a separate section so that it is easier to find. Although a few of the above services were previously available for Standard Mail (A) matter mailed at the single-piece rates, the elimination of the single-piece Standard Mail (A) rates now excludes any Standard Mail (A) from receiving these services. Offering these services with Standard Mail (A) would in many instances require a classification case to be filed with the PRC. Therefore, such changes will not be implemented with these R97–1 implementation rules. However, the Postal Service may consider offering some of these services with Standard Mail (A) at a future date.

D. Summary of Domestic Mail Manual (DMM) Changes

The following are changes organized by DMM module. They are intended as an overview only and should not be viewed by readers as defining every revision.

A Addressing

A060.5.3 is amended to eliminate the option to pay postage for excess or undeliverable detached address labels (DALs) or items being returned at the single-piece Standard Mail (A) rates. Postage for excess or undeliverable DALs or items being returned is computed at the applicable single-piece rate (First-Class Mail, Priority Mail, or Standard Mail (B)) for the combined weight of the DAL and the accompanying item, regardless of whether both are being returned.

C Characteristics and Content

References to single-piece Standard Mail (A) are deleted throughout. C050 is revised to add ''Nonmachinable'' to the title of 5.0 and 6.0 (Irregular and Outside Parcels). C100.4.0 is revised to include keys and identification devices as items that may be considered nonstandard mail. C600.1.2 is amended to allow Parcel Post mailings to include pieces measuring over 108 inches, but not over 130 inches, in combined length and girth, if the oversized Parcel Post rate is paid. C600.1.2 also is amended to require Parcel Post pieces that weigh less than 15 pounds but measure more than 84 inches in combined length and girth to pay a rate equal to that of a 15-pound parcel for the zone to which the parcel is addressed. C600.2 is amended to delete the nonstandard surcharge criteria that formerly applied to single-piece Standard Mail (A). C810.2 is amended to provide new maximum weights for automation ''heavy'' letters. C820.2 is amended to increase the maximum weight limit for First-Class automation rate flats to 13 ounces. C840.8 is amended to add a stipulation for ZIP+4 barcodes for QBRM and other barcoded BRM. A new C850 is added to provide standards for barcodes on parcels.

D Deposit, Collection, and Delivery

D010.1.1 is amended to delete the term ''single-piece.'' D010.1.2 is amended to exclude Parcel Post pieces mailed at the DDU and DSCF rates (as well as mail at DBMC rates), or claiming the OBMC Presort discount, from obtaining pickup service. D600.2 is amended to remove the sentence that allowed single-piece Standard Mail (A) bearing adhesive stamps to be placed in collection boxes.

E Eligibility

E060.5 is amended to reflect the new 13-ounce weight limit for First-Class Mail. E060.12 is amended to remove single-piece Standard Mail (A) as a permissible rate for the return of items under penalty merchandise return service. E110.4 is revised to delete references to Presorted Priority Mail. E120 is revised to remove references to Presorted Priority Mail, to add information on rates and fees applicable to keys and identification devices, and to make minor organizational changes. E130 is revised for clarity and to add information on rates and fees applicable to keys and identification devices. E150 is added to provide information on qualified business reply mail. E200.14 is amended to reflect the elimination of single-piece Standard Mail (A) rates. E230.1, and E230.3 through E230.5 is revised to provide for separate 5-digit and 3-digit rates for Regular, Nonprofit, Classroom, and In-County subclasses, and to show that the applicable 3-digit rates will apply to both unique and nonunique 3-digit ZIP Code areas. E230.6 is revised to allow In-County mail to qualify for high density carrier walk-sequence rates based on either a minimum of 125 pieces per route or 25% of the total active possible deliveries on the carrier route. E230.7 is amended to require documentation for pieces and copies mailed to all 3-digit destinations, (not only unique 3-digit destinations). E240.2 is amended to is revised to provide for separate 5-digit and 3-digit rates for Regular, Nonprofit, Classroom, and In-County subclasses, and to show that the applicable 3-digit rates will apply to both unique and nonunique 3-digit ZIP Code areas. E600 is revised throughout to delete references to single-piece Standard Mail (A) and to change the name ''nonautomation presort'' to ''Presorted'' or ''Presorted Standard.'' E612 is revised to change the weight breakpoints for the Standard Mail (A) minimum per-piece rates, require Standard Mail (A) mailed at a Standard Mail (B) rate to show the applicable Standard Mail (B) marking, and to move restrictions on use of

special services from E612.4.1 to new section E612.4.10. E620 and E630 are reorganized so that E620 contains standards for Standard Mail (A) and E630 contains standards for Standard Mail (B). E620 is revised to add new minimum volume requirements for Presorted Standard mailings, to add provisions for mailing certain matter not eligible for Standard Mail (A) rates that bears Standard Mail (A) markings at the single-piece First-Class or Priority Mail rates, and to add provisions for the new residual shape surcharge. E630 is revised to add provisions for new DSCF and DDU rates and new OBMC Presort, BMC Presort discounts, the oversized parcel provisions, and balloon rate provisions. E630 is revised to add provisions for a barcoded discount for Standard Mail (B) rates. E630 is revised to change marking requirements for Standard Mail (B). E640 is amended to clarify that Nonprofit rate mail may qualify for automation rates. E652 is revised to add provisions for DSCF and DDU Parcel Post rates.

F Forwarding and Related Services

F010 is amended throughout to delete references to single-piece Standard Mail (A). F010 is amended to revise forwarding and related services for Periodicals and for Standard Mail (A) to show that return postage is subject to the First-Class or Priority Mail rates based on weight, except for machinable Standard Mail (A) parcels returned under Bulk Parcel Return Service (BPRS). F020 is revised to remove references to single-piece Standard Mail (A).

G General Information

G043 is revised to add names and addresses of organizations from whom barcode specifications and barcode grading requirements can be obtained.

L Labeling Lists

Section L100, including labeling list L102, ADCs—Presorted Priority Mail, is deleted. New labeling list L605, BMCs—Nonmachinable Parcel Post, is added.

M Mail Preparation and Sortation

M011.1 is revised to add the definition of an overflow sack for Parcel Post DSCF rate mailings. M011.1 is revised to amend the definition of a mailing. M012 is revised to change marking requirements for Standard Mail (A) and (B), to clarify that no marking is needed for single-piece First-Class Mail, and to specify time frames for the new marking requirements. In M032, Exhibit 1.3 is revised to show headings for new Periodicals rate levels and for new Parcel Post rates and to change the name ''bulk Bound Printed Matter'' to ''presorted Bound Printed Matter.'' M033.1 is revised to reflect the new 13-ounce weight limit for First-Class Mail. M041 is revised to reflect requirements for new Standard Mail (B) rates (OBMC Presort, BMC presort, DSCF, DDU). M045 is revised to add preparation requirements for new Standard Mail (B) rates (OBMC Presort, BMC presort, DSCF, DDU). M050.4 is amended to reflect revised placement of sequencing date information on mailing statements and to add documentation requirements for the Periodicals In-County rate mail that qualifies for high density rates under the new 25% of the total active possible deliveries per carrier route criteria. M072.1.1 is amended for clarity. M072.2.5 is amended to delete references to ''Bulk Parcel Post,'' revise ''bulk Bound Printed Matter'' to ''presorted Bound Printed Matter,'' add an exception to the zone separation requirement, and to add information on preparation of drop shipment mail for Parcel Post DSCF and DDU rates. M073 is revised to add information about permissibility and preparation requirements for combining Standard Mail (A) and Standard Mail (B) parcels in mailings qualifying for new Parcel Post rates (OBMC Presort, BMC Presort, DSCF, and DDU). M120 is revised to delete the sections on Presorted Priority Mail. M200 is revised to require preparation of an SCF level of sack. M130.2 and M130.3 are amended to revise their titles. M130.5 is revised to reflect the new 13-ounce weight limit for First-Class Mail. M200.3 is revised to require preparation of an SCF sack for nonletters, to delete the provisions for an optional origin/required entry 3-digit sack, and to add provisions for an optional origin/required entry SCF sack. M620 is revised to change ''nonautomation presort'' to ''Presorted,'' to revise references to E620 and E630, and to revise rate marking requirements including time frames for changing the ''Bulk Rate'' marking to ''Presorted Standard.'' M630 is amended to add preparation requirements for DSCF and DDU rates; to change ''nonautomation presort'' to ''Presorted;'' to revise references to E620 and E630; and to revise rate marking requirements for all Standard Mail (B) including placement of subclass markings, new generic rate markings for drop shipment rates, revising ''bulk Bound Printed Matter'' to ''presorted Bound Printed Matter, eliminating the ''Bulk Parcel Post'' marking, removing the requirement for a 5-digit or 3-digit ZIP Code in the rate marking for DBMC rates, eliminating the ''catalog rate'' marking for Bound Printed Matter, and adding the abbreviation ''PRSRT'' for ''Presorted'' in the ''Presorted Special Standard'' marking. M810 is reorganized and revised for clarity and to add new rate categories for Periodicals and to make the 5-digit/scheme sortation level optional for Periodicals automation letters. M820 is revised to make the SCF sack a required level of presort for Periodicals automation flats, to delete the provisions for an optional origin/required entry 3-digit sack, and to add provisions for an optional origin/required entry SCF sack.

P Postage and Payment Methods

P011 is revised to delete references to single-piece Standard Mail (A). P012 revises standardized documentation for Periodicals to add separate 5-digit and 3-digit rates for both automation and nonautomation and to add new rate abbreviations for nonautomation 5-digit and 3-digit rates. P013 is revised to reflect payment for keys and identification devices at First-Class Mail and Priority Mail rates plus a $0.30 fee instead of single-piece Standard Mail (A) rates, to delete sections concerning computation of single-piece Standard Mail (A) rates, to revise the breakpoints for Standard Mail (A) rates, to delete references to Bulk Parcel Post, and to revise the term ''bulk Bound Printed Matter'' to ''presorted Bound Printed Matter.'' P014.2 is revised to delete references to single-piece Standard Mail (A). P030.1.5 is revised to reflect the new 13-ounce weight limit for First-Class Mail. P030.5.4 is revised to delete a reference to single-piece Standard Mail (A). P040.4.1 is revised to reflect the new rate marking requirements for First-Class and Standard Mail and delete examples for single-piece Standard Mail (A). P100 is revised to add payment provisions for mailing certain matter not eligible for Standard Mail (A) rates that bears Standard Mail (A) markings at the single-piece First-Class or Priority Mail rates. P600 is revised to establish postage payment methods for Standard Mail (B) containing a combination of discounts, to delete information on payment and use of ''SNGLP'' marking for single-piece Standard Mail (A), and to clarify that for mailings of identical weight, Standard Mail (A) postage may be affixed to all pieces in the mailing at the lowest rate in the mailing job. P710 is revised to reflect the new marking requirements for regular rate Standard Mail (A). P750 is revised to include instructions on the new Parcel Post DSCF and DDU rates. P760 is revised to change ''nonautomation'' to ''Presorted'' for Standard Mail (A) and to delete

references to single-piece Standard Mail (A).

R Rates and Fees

The entire module is revised to reflect new rates and fees.

S Special Services

S010 is revised to add information on claims for the new bulk insurance service. S070 is revised to clarify applicability of Priority Mail Drop Shipment. S911 is revised to reflect changes to indemnity coverage for registered mail. S913 is revised to eliminate references to single-piece Standard Mail (A), to provide clarification to matter eligible for insurance, and to include rules for the new bulk insurance service. S915.1 and S915.2 are amended for clarity. S917 is amended to delete availability of return receipt for merchandise with single-piece Standard Mail (A). S921 is amended to delete availability of COD with single-piece Standard Mail (A). S922 is revised to change references from BRMAS to QBRM, to remove eligibility requirements for BRMAS (these are relocated under QBRM in E150), to require all BRM bearing barcodes to meet the requirements of C810 and C840 (except basis weight requirements for envelopes in C810.7.1), and to replace current BRM standards relative to reflectance requirements, paper weight, and self-mailers with current mailpiece design requirements in C810 and C830 (except basis weight requirements for envelopes in C810.7.1, and the retention and clarification of current prohibition of red fluorescence in excess of 4.0 phosphor meter units). S923 is revised to eliminate the return of merchandise return service pieces at single-piece Standard Mail (A) rates, to prescribe new rates of return and corresponding markings, and to reflect new standards concerning registered mail used with that service. S924 is revised to eliminate references to single-piece Standard Mail (A). S930 is amended to remove availability of special handling service for single-piece Standard Mail (A), and to correct the rules to allow First-Class Mail and Priority Mail to receive special handling.

List of Subjects in 39 CFR Part 111

Postal Service.

For the reasons discussed above, the Postal Service hereby adopts the following amendments to the Domestic Mail Manual, which is incorporated by reference in the Code of Federal Regulations (see 39 CFR Part 111).

PART 111—[AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 3001–3011, 3201–3219, 3403–3406, 3621, 5001.

2. Revise the following sections of the Domestic Mail Manual as follows:

A Addressing

A000 Basic Addressing

* * * * *

A060 Detached Address Labels (DALs)

* * * * *

5.0 POSTAGE

* * * * *

5.3 Returns

[Amend the first sentence of 5.3 by replacing ''Standard Mail'' with ''First-Class Mail'' to read as follows:]

Postage for excess or undeliverable DALs that are properly endorsed or for items being returned is computed at the applicable single-piece rate (First-Class Mail, Priority Mail, or Standard Mail (B)) applicable to the combined weight of the DAL and the accompanying item, regardless of whether both are being returned. * * *

* * * * *

C Characteristics and Content

C000 General Information

C010 General Mailability Standards

1.0 MINIMUM AND MAXIMUM DIMENSIONS

* * * * *

1.6 Nonstandard Surcharge

[Amend 1.6 by removing ''or C600, respectively,'' and ''or Single-Piece Standard Mail'' to read as follows:]

Because of address placement (orientation) under C100, a mailable piece of First-Class Mail weighing 1 ounce or less can be subject to the corresponding nonstandard surcharge.

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C022 Perishables

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3.0 LIVE ANIMALS

3.1 Day-Old Poultry

[Amend 3. 1f by adding ''or Priority Mail'' for clarity as follows:]

Day-old poultry vaccinated with Newcastle disease (live virus) is nonmailable. Live day-old chickens, ducks, geese, partridges, pheasants (mailable only from April through August), guinea fowl, quail, and turkeys are acceptable in the mail only if:

* * * * *

f. The shipment bears special handling postage in addition to regular postage, unless sent at the First-Class Mail or Priority Mail rate.

* * * * *

C024 Other Restricted or Nonmailable Matter

* * * * *

18.0 ODD-SHAPED ITEMS IN ENVELOPES

18.1 Nonmailable

[Amend 18.1 by removing ''Standard Mail (A) rate'' to read as follows:]

Pens, bottle caps, and similar odd-shaped items are not acceptable in letter-size envelopes at the single-piece First-Class Mail rate.

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C050 Mail Processing Categories

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[Amend 5.0 to add ''Nonmachinable'' to the title as follows:]

5.0 IRREGULAR PARCEL (NONMACHINABLE)

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[Amend 6.0 to add ''Nonmachinable'' to the title as follows:]

6.0 OUTSIDE PARCEL (NONMACHINABLE)

* * * * *

C100 First-Class Mail

1.0 DIMENSIONS

1.1 Maximum Weight and Size

[Revise 1.1 to show the new maximum weight of 13 ounces to read as follows:]

Each piece may not weigh more than 70 pounds. Matter at First-Class Mail rates may not exceed 13 ounces. The combined length and girth of a piece (i.e., the length of its longest side plus the distance around its thickest part) may not exceed 108 inches. (Lower size or weight standards apply to mail claimed at certain rates or addressed to certain APOs and FPOs.)

* * * * *

4.0 NONSTANDARD MAIL

[Revise 4.0 to include keys and identification devices as items subject to the nonstandard classification as follows:]

Except for Priority Mail, any piece of First-Class Mail (including keys or identification devices) weighing 1 ounce or less and not claimed at a card rate is nonstandard and subject to the applicable surcharge if its thickness

exceeds ¼ inch or, if based on the placement (orientation) of the address, its length exceeds 11½ inches, its height exceeds 6⅛ inches, or its aspect ratio (length divided by height) is less than 1.3 or more than 2.5.

* * * * *

C600 Standard Mail

1.0 DIMENSIONS

1.1 Standard Mail (A)

[Amend 1.1b to read as follows:]

These dimensional standards apply to Standard Mail (A):

* * * * *

b. Presorted (⅗ and basic rate) Regular and Nonprofit Standard Mail (A) are subject only to the basic mailability standards in C010.

* * * * *

1.2 Standard Mail (B)

[Amend and renumber 1.2 as follows to specify requirements for oversized Parcel Post and add a Parcel Post balloon rate:]

These dimensional standards apply to Standard Mail (B):

a. No piece may weigh more than 70 pounds, except matter at Bound Printed Matter rates may not weigh more than 15 pounds.

b. Except for Parcel Post under 1.2c, the combined length and girth of a piece (i.e., the length of its longest side plus the distance around its thickest part) may not exceed 108 inches.

c. Parcel Post pieces measuring over 108 inches in combined length and girth, but not more than 130 inches in combined length and girth, are mailable at the applicable oversized rate.

d. Parcel Post pieces measuring over 84 inches in combined length and girth, but not more than 108 inches in combined length and girth, and weighing less than 15 pounds are mailable at the rate equal to that of a 15-pound parcel for the zone to which the parcel is addressed.

e. Two or more packages may be mailed as a single parcel, if they are about the same size or shape or if they are parts of one article, if they are securely wrapped or fastened together, and if they do not together exceed the weight or size limits.

f. Lower size or weight standards apply to mail claimed at certain rates, addressed to certain APOs and FPOs, or sent by the Department of State to U.S. Government personnel abroad.

g. Pieces might be subject to minimum weight or dimensions based on the standards for specific rates.

[Delete current 2.1, renumber current 2.2 as 2.0 and revise to read as follows:]

2.0 NONMACHINABLE SURCHARGE

Items described in E630 and mailed at the inter-BMC/ASF Parcel Post rates are subject to a nonmachinable surcharge unless the applicable special handling fee is paid.

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C800 Automation-Compatible Mail

C810 Letters and Cards

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2.0 DIMENSIONS

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2.3 Maximum Weight

[Amend 2.3c through 2.3f to revise the maximum ounce weights for heavy letters to read as follows:]

Maximum weight limits are as follows:

* * * * *

c. 3.3087 ounces: automation Regular Standard Mail (A) heavy letters, subject to 7.5.

d. 3.3062 ounces: automation Enhanced Carrier Route heavy letters, subject to 7.5.

e. 3.2873 ounces: automation Nonprofit Standard Mail (A) heavy letters, subject to 7.5.

f. 3.3103 ounces: automation Nonprofit Enhanced Carrier Route, automation First-Class Mail, and automation Periodicals heavy letters, subject to 7.5.

* * * * *

C820 Flats

* * * * *

2.0 DIMENSIONS

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2.4 Maximum Weight

[Revise 2.4 to show the new maximum weight of 13 ounces to read as follows:]

Maximum weight limits are as follows:

a. For First-Class Mail, 13 ounces.

b. For Periodicals, 16 ounces.

c. For Standard Mail (A), less than 16 ounces

* * * * *

C840 Barcoding Standards

* * * * *

8.0 5-DIGIT AND ZIP+4 BARCODES

[Revise the title and add a new sentence to 8.1 to read as follows:]

8.1 Permissibility

An automation rate letter-size piece may not bear a 5-digit or ZIP+4 barcode in the lower right corner (barcode clear zone); the piece may bear a 5-digit or ZIP+4 barcode in the address block only if a DPBC appears in the lower right corner. A Qualified Business Reply Mail piece and other barcoded letter-size Business Reply Mail must only bear a ZIP+4 barcode; the ZIP+4 barcode may appear in the address block when printed on an insert that appears through a window or on an address label affixed directly to the piece; or may appear in the lower right corner either printed directly on the mailpiece or on an insert that appears through a window. An automation rate flat-size piece must not bear a 5-digit barcode.

* * * * *

[Add new C850 to read as follows.]

C850 Standard Mail (B) Barcode Standards

1.0 BARCODE SYMBOLOGIES

1.1 Basic Requirement

Every addressed mailpiece eligible for a Standard Mail (B) barcode discount described in E630 must bear a properly prepared barcode that represents the correct ZIP Code information for the address on the mailpiece plus the appropriate verifier character suffix or application identifier prefix characters appropriate for the barcode symbology used as described in 1.0 through 4.0. The combination of appropriate ZIP Code and appropriate verifier or application identifier characters uniquely identifies the barcode as the postal routing code.

1.2 Permissible Barcode Symbologies.

Until January 10, 2004, barcodes must be printed in one of the following symbologies: UCC/EAN Code 128; USS Code 128; USS Code I ⅖; and USS Code 39. Effective January 10, 2004, only the UCC/EAN Code 128 may be used.

1.3 Postal Routing Barcode Elements

a. UCC/EAN Code 128. For barcodes prepared using the UCC/EAN Code 128 symbology the postal routing barcode must consist of the leading Application Identifier (AI) of ''420'' followed by the ZIP Code for the address on the mailpiece. The ZIP Code for the address on the mailpiece may be either the 5-digit ZIP Code or the ZIP+4 code. The Application Identifier indicates the meaning of the barcode. The USPS has designated 420 as the AI for domestic postal routing barcodes (and 421 as the AI for international postal routing barcodes). UCC/EAN Code 128 barcodes MUST NOT include the trailing verifier character ''9''.

b. Other Permissible Symbologies. For the USS Code 128, USS Code I ⅖, and USS Code 39 symbologies, the postal routing barcode must consist of the 5-digit ZIP Code for the address on the

mailpiece, followed by the 1-digit verifier character ''9.'' Barcodes prepared under these symbologies MUST NOT include the prefix ''420.''

1.4 Technical Specifications

UCC/EAN Code 128 barcodes must meet the technical specifications in the ''UCC/EAN–128 Application Identifier Standard,'' which can be obtained from Uniform Code Council, Inc. and the specifications in 2.0. The UCC specifications can be obtained from: UNIFORM CODE COUNCIL, INC, 8163 OLD YANKEE RD STE J, DAYTON OH 45458–1839

USS Code I 2/5, USS Code 39, and USS Code 128 barcodes must meet the technical specifications in Uniform Symbology Specification (USS) documents USS–I 2/5, USS–39, and USS–128, respectively, and the specifications in 2.0. The USS Code specifications are available from: AUTOMATIC IDENTIFICATION MANUFACTURERS (AIM), 634 ALPHA DR, PITTSBURGH PA 15238–2802, www.aimusa.org

1.5 One Postal Routing Barcode.

A mailer may include more than one barcode on a mailpiece provided there is only one barcode that is prepared under the postal routing code structure. That is, a mailpiece must contain only one barcode encoded with a 5-digit numeric code followed by the character ''9'' or encoded with ''420'' followed by a 5-digit or 9-digit numeric code.

2.0 BARCODE CHARACTERISTICS

2.1 Dimensions

The preferred range of widths of narrow bars and spaces is 0.015 inch to 0.017 inch. The width of the narrow bars or spaces must be at least 0.013 inch but no more than 0.021 inch. All bars must be at least 0.75 inch high. The wide/narrow bar width ratio for Code I 2/5 and Code 39 must be at least 2.5 to 1.

2.2 Reflectance

When measured in the red spectral range between 630 nanometers and 675 nanometers, the minimum white bar (space) reflectance (Rs) must be greater than 50%, and the maximum bar reflectance (Rb) must be less than 25%. The minimum print reflectance difference (Rs–Rb) is 40%. Reflectance must be measured with a USPS-specified reflectance meter or barcode verifier.

2.3 Quality

All barcodes in each mailing must measure American National Standards Institute (ANSI) grade C or above. At least 70% of the barcodes in each mailing must measure ANSI grade A or B. For all printing processes, it is strongly recommended that the symbols be tested to ensure that they meet specification requirements. Information concerning ANSI guidelines X3.182–1990 may be obtained from: AMERICAN STANDARDS INSTITUTE INC, 11 W 42ND ST, NEW YORK NY 10036–8002, (212) 642–4900

2.4 Substrate Material

All barcode symbols must be printed on substrate material that preserves the optical specification as described in the AIM–USA Uniform Symbology Specification documents. Typically, white label stock commonly used for barcode generation is suitable, providing it is not glossy (causing mirror-like [specular] reflection) nor prone to smearing or smudging.

3.0 BARCODE LOCATION

3.1 General Standards

The address and barcode must be on the side of the mailpiece with the largest surface area, except that the address and barcode must be on the top surface of the mailpiece when its shape requires specific orientation for stability during automated processing. The barcode should be placed immediately adjacent to the address and at least 1 inch from the edge of the mailpiece. The delivery address or barcode may be printed on an attachment or on an enclosure in a window envelope, subject to the reflectance standards in 2.2.

3.2 Barcode Clear Zone

The barcode must be located as specified in 3.1. No printing may appear in an area ⅛ inch above and below the barcode regardless of location. A minimum clear zone equal to 10 times the average measured narrow element (bars or space) width must be maintained to the left and right of the barcode.

4.0 BARCODE CONTENT

4.1 Human-Readable Barcode Information

If the barcode is printed on the same label as the mailing address, and in close proximity to that address, the human-readable equivalent of the ZIP Code or ZIP+4 code encoded in the barcode may be omitted. If the barcode is printed on a separate label from the mailing address, the human-readable equivalent of the 5-digit ZIP Code or ZIP+4 code encoded in the barcode (i.e., omitting the existing ''420'' Application Identifier for UCC/EAN 128 and omitting the existing ''9'' verifier character for the other three barcode symbologies) must be printed between ⅛ inch and ½ inch below the barcode preceded by the word ''ZIP'' in 10 point or larger bold sans serif type. In addition, the location of the word ''ZIP'' may be alternatively placed no less than 10 time the average narrow bar or space element width and not more than ½ inch to the left of the barcode, in 12 point or larger bold sans serif type.

* * * * *

D Deposit, Collection, and Delivery

D000 Basic Information

D010 Pickup Service

1.0 BASIC STANDARDS

1.1 Availability

[Amend 1.1b to delete the term ''single-piece rate'' to read as follows:]

Subject to the standards in D010, pickup service is available from designated post offices for:

* * * * *

b. Priority Mail.

* * * * *

1.2 Not Available

[Amend 1.2c to include all destination entry rate pieces as follows:]

Pickup service is not available for pieces:

* * * * *

c. Claimed at the Parcel Post DBMC, DSCF, or DDU destination entry rates, or claiming the Parcel Post OBMC Presort discount.

* * * * *

D600 Standard Mail

* * * * *

2.0 MAIL DEPOSIT

[Amend the heading and contents of 2.1 to read as follows:]

2.1 Single-Piece Standard Mail (B) Rates

Single-piece rate Standard Mail (B) must be deposited at a time and place specified by the mailing post office postmaster. Metered mail must be deposited in locations under the jurisdiction of the licensing post office, except as permitted in D072. Permit imprint mail must be presented at the post office under P040 or P700. Precanceled stamp mail must be presented at the post office under P023.

E Eligibility

E000 Special Eligibility Standards

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E060 Official Mail (Penalty)

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5.0 SERVICES, CLASSES, RATES, PREPARATION, AND DETENTION

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5.3 Basic Preparation

[Revise 5.3d to incorporate the new 13-ounce weight limit for First-Class Mail as follows:]

Penalty mail must:

* * * * *

d. Be endorsed for class or rate except for single-piece rate First-Class Mail not exceeding 13 ounces and single-piece rate Parcel Post. All mail with penalty mail stamps, other than First-Class Mail weighing 13 ounces or less, must be marked to show the class at which it is mailed.

* * * * *

12.0 PENALTY MERCHANDISE RETURN SERVICE

12.1 Description

[Amend 12.1 by inserting ''(B)'' and by removing ''Single-Piece Standard Mail'' to read as follows:]

Merchandise return service allows a merchandise return permit holder to authorize individuals and organizations to send single-piece First-Class Mail (including Priority Mail) and single-piece Standard Mail (B) (Parcel Post, Special Standard Mail, and Bound Printed Matter) to the permit holder. The permit holder pays the return postage and fees.

* * * * *

E 100 First-Class Mail

E110 Basic Standards

* * * * *

4.0 FEES

4.1 Presort Mailing

[Amend the first sentence of 4.1 to delete the reference to Presorted Priority Mail to read as follows:]

A First-Class Mail presort mailing fee must be paid once each 12-month period at each office of mailing by any person or organization entering mailings at automation or Presorted First-Class Mail rates. Payment of one fee allows a mailer to enter mail at both those rates. Persons or organizations paying this fee may enter mail of their clients as well as their own mail. The fee may be paid in advance only for the next year and only during the last 30 days of the current service period. The fee charged is that which is in effect on the date of payment.

* * * * *

E120 Priority Mail

1.0 BASIC STANDARDS

1.1 Description

[Revise 1.1 to reflect the new maximum weight of First-Class Mail to read as follows:]

Priority Mail is First-Class Mail weighing more than 13 ounces and, at the mailer's option, any other mail matter (including regular First-Class Mail) weighing 13 ounces or less. Priority Mail rates are based on zone and/or weight.

* * * * *

[Delete current 1.4, renumber current 2.2 as new 1.4 to read as follows:]

1.4 Marking

The marking ''Priority'' or ''Priority Mail'' must be placed prominently on the address side of each piece of Priority Mail.

[Amend 2.0 to read as follows:]

2.0 RATES

2.1 Application

Priority Mail rates apply to pieces meeting the standards in 1.0.

2.2 Flat Rate Envelope

Any amount of material that can be mailed in the special flat rate envelope available from the USPS is subject to the 2-pound Priority Mail rate, regardless of the weight of the material placed in the envelope.

2.3 Balloon Rate

Items weighing less than 15 pounds but measuring more than 84 inches in combined length and girth are charged a minimum rate equal to that for a 15-pound parcel for the zone to which it is addressed.

2.4 Keys and Identification Devices

Keys and identification devices (identification cards or uncovered identification tags) that weigh more than 13 ounces but not more than 2 pounds are returned at the 2-pound Priority Mail rate plus a $0.30 fee if they bear, contain, or have securely attached the name and complete address of a person, organization, or concern, with instructions to return the piece to that address and a statement guaranteeing payment of postage due on delivery.

[Delete current 3.0 pertaining to Presorted Priority Mail.]

E130 Nonautomation Rates

1.0 BASIC STANDARDS

1.1 All Pieces

[Revise 1.1 to reflect the new maximum weight for First-Class Mail to read as follows:]

All pieces of nonautomation First-Class Mail must:

a. Meet the basic standards for First-Class Mail in E110.

b. Weigh 13 ounces or less.

c. Bear a delivery address.

d. Meet the applicable documentation and postage payment standards in P012, P013, and P100.

* * * * *

[Delete 1.3.]

2.0 SINGLE–PIECE RATE

[Revise 2.1, renumber 2.2 as 2.3, and insert new 2.2 to read as follows:]

2.1 Rate Application

The single-piece rates for First-Class Mail are applied as follows:

a. The card rate applies to a card meeting the applicable standards in C100 that is not eligible for or claimed at the Presorted rate, an automation rate, or a qualified business reply mail (QBRM) rate.

b. The letter rate applies to any other First-Class Mail (letter, flat, and parcel) weighing 13 ounces or less that is not eligible for and claimed at the card rate, the Presorted rate, an automation rate, a qualified business reply mail (QBRM) rate, or required to be paid at a rate for keys and identification devices.

2.2 Keys and Identification Devices

Keys and identification devices (identification cards or uncovered identification tags) that weigh not more than 13 ounces are mailed at the applicable single-piece letter rate, plus a $0.30 fee, and if applicable, the nonstandard surcharge. The keys and identification devices must bear, contain, or have securely attached, the name and complete address of a person, organization, or concern, with instructions to return the piece to that address and a statement guaranteeing payment of postage due on delivery.

* * * * *

[Insert new 4.0 to read as follows:]

4.0 NONSTANDARD SURCHARGE

Single-piece (including keys and identification devices) and Presorted First-Class Mail are subject to the applicable nonstandard surcharge in R100 if they are not mailed at the card rate, weigh 1 ounce or less, and meet the definition of nonstandard mail in C100.

* * * * *

[Insert new E150 to read as follows:]

E150 Qualified Business Reply Mail (QBRM) Rates

1.0 BASIC STANDARDS

1.1 Description

Qualified Business Reply Mail (QBRM) is First-Class Mail that:

a. Is letter-size and is prepared to meet the automation compatibility requirements in C810 (except 7.1).

b. Meets all the Business Reply Mail (BRM) standards in S922.

c. Has postage and BRM per-piece fees paid through a business reply mail advance deposit account.

d. Is authorized to mail at QBRM rates and fees under 2.0. During the authorization process, the mailer is assigned a unique ZIP+4 code for each rate category of QBRM to be returned under the system (one for card-rate pieces, one for letter-size pieces weighing 1 ounce or less, and one for letter-size pieces weighing over 1 ounce up to and including 2 ounces).

e. Bears the unique ZIP+4 code assigned during the application process in the address of each piece distributed. The ZIP+4 code on each piece must be the proper one assigned to the rate category of the piece on its return. The ZIP+4 codes assigned for this program must be used only on the organization's appropriate QBRM pieces.

f. Bears the correct barcode that corresponds to the unique ZIP+4 code in the address on each piece distributed. The barcode must be correctly prepared under C840 and S922.5.

g. Bears a properly prepared facing identification mark (FIM) C on each piece distributed.

2.0 AUTHORIZATION

To participate in QBRM, the mailer must submit a written request to open a QBRM account to the postmaster or business mail entry manager at the post office to which the pieces are to be returned. If the mailer's request is approved, the USPS issues the mailer an authorization letter and instructions on how to prepare BRM, including the ZIP+4 codes to be used. The mailer must have a valid BRM permit and pay the annual accounting fee to participate in QBRM. Preproduction samples, if provided with the request, are reviewed by the USPS for compliance with the relevant standards. Any BRM approved under the former Business Reply Mail Accounting System need not make reapplication to qualify for QBRM.

3.0 RATES AND FEES

3.1 Rates

The single-piece rates for QBRM First-Class Mail are applied to each returned piece as follows:

a. The QBRM rate for cards in R100 applies to a card meeting the applicable standards in 1.0 and C100.

b. The QBRM rate for letters in R100 applies to a letter meeting the applicable standards in 1.0 that is not eligible for and claimed at the QBRM rate for cards.

3.2 Fees

The following fees apply to QBRM First-Class Mail:

a. The annual BRM permit fee in S922 and R900.

b. The annual BRM accounting fee in S922 and R900.

c. The QBRM fee in R900 for each returned piece.

E200 Periodicals

E210 Basic Standards

E211 All Periodicals

* * * * *

14.0 BASIC RATE ELIGIBILITY

* * * * *

14.4 Copies Mailed by Public

[Amend 14.4 by adding ''Priority'' and ''(B)'' to read as follows:]

The applicable single-piece First-Class, Priority, or Standard Mail (B) rate is charged on copies of publications mailed by the general public (i.e., other than publishers or registered news agents) and on copies returned to publishers or news agents.

* * * * *

E230 Nonautomation Rates

1.0 BASIC INFORMATION

* * * * *

1.3 ZIP Code Accuracy

[In the first sentence, change ''3/5'' to ''5-digit, 3-digit,'' to read as follows:]

All 5-digit ZIP Codes in addresses on pieces claimed at the 5-digit, 3-digit, or basic rates must be verified and corrected within 12 months before the mailing date by a USPS-approved method. * * *

* * * * *

[Replace current 3.0 through 5.0 with new 3.0 through 5.0 to read as follows:]

3.0 5-DIGIT RATES

Subject to M200, 5-digit rates apply to:

a. Letter-size pieces in 5-digit packages of six or more pieces each, placed in 5-digit trays.

b. Flat-size pieces in 5-digit packages of six or more pieces each, placed in 5-digit sacks or palletized under M045.

4.0 3-DIGIT RATES

Subject to M200, 3-digit rates apply to:

a. Letter-size pieces in 5-digit and 3-digit packages of six or more pieces each, placed in 3-digit trays.

b. Flat-size pieces in 5-digit and 3-digit packages of six or more pieces each, placed in 3-digit sacks or palletized under M045.

5.0 BASIC RATES

Basic rates apply to pieces prepared under M200 that are not claimed at carrier route, 5-digit, or 3-digit rates.

6.0 WALK-SEQUENCE DISCOUNTS

* * * * *

6.4 Density Standards

[Revise 6.4b, renumber 6.4c through 6.4d as 6.4d through 6.4e, insert new 6.4c, and revise renumbered 6.4e to read as follows:]

Walk-sequence rate mailings are subject to these density standards:

* * * * *

b. Except under 6.4c, at least 125 walk-sequenced addressed pieces must be prepared for each carrier route receiving mail claimed at the high density rate. Mail for carrier routes of 124 or fewer possible deliveries can qualify for the high density rate if there are at least 125 addressed pieces for the route, or if pieces are addressed to every possible delivery on the route. This mail may also qualify for the saturation rate, subject to 6.4e. In-County rate pieces may also qualify for high density rates under 6.4c.

c. Mail may qualify for In-County high density rates when there are addressed pieces for a minimum of 25% of the total active possible deliveries on a carrier route. If a route contains addresses both within and outside the county, the number of pieces addressed to the entire carrier route will be used to determine if the 25% requirement has been met. However, for such carrier routes meeting the 25% requirement, only the pieces for that carrier route that are addressed to addresses within the county in which the original entry is located may qualify for the In-County high density rates.

* * * * *

e. More than one addressed piece per delivery address may be included in a high density rate mailing and may be counted for the density standard, in 6.4b, for the high density rate. Only one piece per delivery address may be counted toward the density standards

for high density in 6.4c and for the saturation rate in 6.4d.

7.0 COMBINING MULTIPLE PUBLICATIONS OR EDITIONS

* * * * *

7.4 Documentation Elements

[Amend the first sentence of 7.4 to read as follows:]

Presort documentation required under P012 also must show the total number of addressed pieces and copies of each publication or edition mailed to each carrier route, 5-digit, and 3-digit destination. * * *

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E240 Automation Rates

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2.0 RATE APPLICATION

[Replace current 2.1 through 2.3 with new 2.1 through 2.3 to read as follows:]

2.1 5-Digit Rates

Subject to M200, 5-digit automation rates apply to:

a. Letters. 5-digit rates apply to groups of 150 or more pieces to the same 5-digit or 5-digit scheme placed in a 5-digit or 5-digit scheme tray or trays prepared under M810. (Preparation to qualify for the 5-digit rate is optional, and if performed, need not be done for all 5-digit or 5-digit scheme destinations.)

b. Flats. 5-digit rates apply to pieces in 5-digit packages of six or more pieces each, prepared under M820 or M045.

2.2 3-Digit Rates

Subject to M200, 3-digit automation rates apply to:

a. Letters. 3-digit rates apply to groups of 150 or more pieces to the same 3-digit or 3-digit scheme placed in a 3-digit/scheme tray or trays under M810.

b. Flats. 3-digit rates apply to pieces in 3-digit packages of six or more pieces each, prepared under M820 or M045.

2.3 Basic Rates

Subject to M200, basic automation rates apply to:

a. Letters. Basic rates apply to pieces prepared under M810 that are not claimed at 5-digit or 3-digit rates.

b. Flats. Basic rates apply to pieces prepared under M820 or M045 that are not claimed at 5-digit or 3-digit rates.

* * * * *

E600 Standard Mail

E610 Basic Standards

E611 All Standard Mail

1.0 BASIC INFORMATION:

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1.8 Documentation

[Amend the reference to single-piece rate mail to specify single-piece Standard Mail (B) as follows:]

A postage statement, completed and signed by the mailer, using the correct USPS form or an approved facsimile, must be submitted with each mailing except for single-piece rate Standard Mail (B) mailings in which the correct postage is affixed to each piece. Additional supporting documentation may be required by the standards for the rate claimed or postage payment method used.

E612 Additional Standards for Standard Mail (A)

* * * * *

[Amend the heading of 4.0 by removing ''BULK'' to read as follows:]

4.0 RATES

4.1 General Information

[Revise the section numbers and the names of nonautomation rates and remove information about special services to read as follows:]

All Standard Mail (A) rates are bulk rates (sometimes referred to as presort rates). Bulk rates apply to mailings meeting the basic standards in E611 and the corresponding standards for Enhanced Carrier Route, automation, Presorted, and destination entry in E620, E640, and E650 as appropriate for the rate claimed. Nonprofit rates may be used only by organizations authorized by the USPS under E670. Not all processing categories qualify for every bulk rate.

4.2 Minimum Per-Piece Rates

[In the first sentence, change ''nonautomation'' to ''Presorted'' and amend the weight breakpoints for the minimum per-piece rates as follows:]

The minimum per piece rates (i.e., the minimum postage that must be paid for each piece) apply to Enhanced Carrier Route rate pieces weighing no more than 0.2066 pound rounded (3.3062 ounces rounded); Regular Presorted and automation rate pieces weighing no more than 0.2068 pound rounded (3.3087 ounces rounded); Nonprofit Enhanced Carrier Route rate pieces weighing no more than 0.2069 pound rounded (3.3103 ounces rounded); and Nonprofit Presorted and automation rate pieces weighing no more than 0.2055 pound rounded (3.2873 ounces rounded). * * *

* * * * *

4.6 Exception

[Amend 4.6 by revising the second sentence to read as follows:]

When the postage computed at the bulk Standard Mail (A) rates is higher than a Standard Mail (B) rate for which the matter and the mailing could qualify except for its weight, the Standard Mail (B) rate may be paid without adding needless weight. When the Standard Mail (B) rate is paid, the pieces must bear the rate marking appropriate for the Standard Mail (B) rate at which postage is paid. All other standards for bulk Standard Mail (A) apply, including mail preparation.

* * * * *

4.9 Preparation

[Amend 4.9b to read as follows:]

Each bulk rate mailing is subject to these general standards:

* * * * *

b. Each mailing must contain at least 200 pieces or 50 pounds of pieces. See E620.1.2 for volume requirement eligibility unique to Presorted Standard rate mailings. Other volume standards also can apply, based on the rate claimed.

* * * * *

[Add new 4.10 as follows:]

4.10 Special Services

Bulk rate Standard Mail (A) may not use certified, collect on delivery (COD), insurance, registered, return receipt, return receipt for merchandise, or special handling.

* * * * *

[Revise the title of E620. Delete current 1.0. Move current E620.2.0 through 5.7 into E630. Renumber current E630.1.0 through E630.2.9 as E620.1.0 through E620.2.9. Renumber E620.1.2 as E620.1.5; renumber E620.1.3 as E620.1.4; add new E620.1.2,E620.1.3, E620.1.6, and E620.2.10; and revise to read as follows:]

E620 Nonautomation Standard Mail (A) Rates

1.0 PRESORTED REGULAR AND NONPROFIT RATES

1.1 Basic Standards

All pieces in a Presorted Regular or Presorted Nonprofit Standard Mail (A) mailing must:

a. Meet the basic standards for Standard Mail in E611 and E612.

b. Except as provided in 1.2, be part of a single mailing of at least 200 pieces or 50 pounds of pieces qualifying for Presorted Standard Mail (A). Regular and Nonprofit mailings must meet separate minimum volumes.

c. Bear a delivery address that includes the correct ZIP Code or ZIP+4 code, unless an alternative address format is used subject to A040.

Upgradable pieces are subject to additional standards in M610. Pieces prepared with detached address labels are subject to additional standards in A060.

d. Be marked, sorted, and documented as specified in M610.

1.2 Residual Volume Requirement

Pieces in an Enhanced Carrier Route rate mailing that has separately met a 200 piece or 50 pound minimum quantity requirement may be counted toward the minimum quantity requirement for a Presorted rate mailing, provided that the Enhanced Carrier Route rate mailing and the Presorted rate mailing are part of the same mailing job and are reported on the same postage statement. Likewise, pieces in an automation rate mailing that has separately met a 200 piece or 50 pound minimum quantity requirement may be counted toward the minimum quantity requirement for a Presorted rate mailing, provided that the automation rate mailing and the Presorted mailing are part of the same mailing job and are reported on the same postage statement. Pieces mailed at Presorted Standard Mail (A) rates must not be counted toward the minimum volume requirements for an Enhanced Carrier Route rate or an automation rate mailing.

1.3 Residual Mail Subject to First-Class or Priority Mail Rates

Pieces prepared as Standard Mail (A) (i.e., bear Standard Mail (A) rate markings, ancillary service markings, etc.) that do not qualify for Enhanced Carrier Route, automation, or Presorted Standard Mail (A) rates are subject to the single-piece First-Class or Priority Mail rates as applicable for the weight of the mailpiece. Metered pieces weighing over 13 ounces, but less than 16 ounces that do not qualify for Standard Mail (A) rates, and any mailpieces that do not qualify for Standard Mail (A) rates for which First-Class or Priority Mail service is desired, must be re-enveloped or otherwise prepared so that they do not bear Standard Mail (A) markings, endorsements and ACS codes, and must bear the proper First-Class Mail or Priority Mail rate markings, ancillary service endorsements, and ACS codes. Mailers who have pieces (other than metered pieces weighing over 13 ounces, but less than 16 ounces) that do not qualify for Standard Mail (A) rates, but that are prepared as Standard Mail (A), and who do not desire to receive First-Class Mail or Priority Mail service for those pieces, may enter their mailpieces ‘‘as is’’ (i.e., bearing the Standard Mail (A) markings and endorsements), provided the requirements in P100 are met.

1.4 ZIP Code Accuracy

All 5-digit ZIP Codes included in addresses on pieces claimed at regular Presorted and Nonprofit Presorted rates must be verified and corrected within 12 months before the mailing date, using a USPS-approved method. The mailer must certify that this standard has been met when the corresponding mail is presented to the USPS. This standard applies to each address individually, not to a specific list of mailing. An address meeting this standard may be used in mailings at any other rates to which the standard applies during the 12-month period after its most recent update.

1.5 Presorted Rates

Presorted Regular or Nonprofit Standard Mail (3/5 and basic) rates apply to Regular or Nonprofit Standard Mail letters, flats, and machinable and irregular parcels weighing less than 16 ounces, that are prepared under M610 or palletized under M045. Basic rates apply to pieces that do not meet the standards for the 3/5 rates described below. Basic rate and 3/5 rate pieces prepared as part of the same mailing are subject to a single minimum volume standard. Pieces that do not qualify for the 3/5 rate must be paid at the basic rate and prepared accordingly. Pieces may qualify for the 3/5 rate if they are presented:

a. In quantities of 150 or more letter-size pieces for a single 3-digit area, prepared in 5-digit or 3-digit packages of 10 or more pieces each and placed in 5-digit or 3-digit trays.

b. In quantities of 150 or more upgradable letter-size pieces (as defined in M610) for a single 3-digit area and placed in 5-digit or 3-digit trays.

c. In a 5-digit or 3-digit package of 10 or more flat-size pieces and placed in a 5-digit or 3-digit sack containing at least 125 pieces or 15 pounds of pieces.

d. In a 5-digit or 3-digit package of 10 or more flat-size pieces palletized under M045.

e. In a 5-digit, destination ASF (if required), or destination BMC sack containing at least 10 pounds of machinable parcels. (The 3/5 rates are available only if all possible 5-digit sacks are prepared.)

f. On a 5-digit, destination ASF (if required), or destination BMC pallet of machinable parcels. (The 3/5 rates are available only if all possible 5-digit pallets are prepared.)

g. In a 5-digit or 3-digit sack of irregular parcels containing at least 125 pieces or 15 pounds of pieces.

1.6 Residual Shape (Parcel) Surcharge

Presorted Standard Mail that is prepared as a parcel, or is not letter-size or flat-size as defined in C050, is subject to the residual shape surcharge.

2.0 ENHANCED CARRIER ROUTE RATES

2.1 All Pieces

All pieces in an Enhanced Carrier Route Standard Mail mailing (letters, flats, or irregular parcels, including merchandise samples distributed with detached address labels) must:

a. Meet the basic standards for Standard Mail in E611 and E612.

b. Be part of a single mailing of at least 200 pieces or 50 pounds of pieces of Enhanced Carrier Route Standard Mail, except that automation basic carrier route rate pieces are subject to a separate 200-piece/50-pound minimum volume standard and may not be included in the same mailing as other Enhanced Carrier Route mail. Regular and Nonprofit mailings must meet separate minimum volumes.

c. Be sorted to carrier routes, marked, and documented under M045 (if palletized) or M620.

2.2 Flats and Merchandise Samples

Enhanced Carrier Route rate mail may not be more than 11–3/4 inches high, 14 inches long, or 3/4-inch thick. Merchandise samples with detached address labels may exceed these dimensions if the labels meet the standards in A060.

2.3 Preparation

Preparation to qualify for any of the Enhanced Carrier Route rates is optional and need not be performed for all carrier routes in a 5-digit area. An Enhanced Carrier Route mailing may include pieces at basic, high-density, and saturation Enhanced Carrier Route rates. Automation basic carrier route rate pieces must be prepared as a separate mailing, subject to the eligibility standards in E640.

2.4 Carrier Route Information

Except for mailings prepared with a simplified address under A040, carrier route codes must be applied to mailings using CASS-certified software and the current USPS Carrier Route Information System (CRIS) scheme, hard copy CRIS files, or another AIS product containing carrier route information, subject to A930 and A950. Carrier route information must be updated within 90 days before the mailing date.

2.5 Sequencing

Basic carrier route rate mail must be prepared either in carrier walk sequence or in line-of-travel (LOT) sequence according to LOT schemes prescribed by the USPS (see M050). High-density and saturation rate mailings must be prepared in carrier walk sequence according to schemes prescribed by the USPS.

2.6 Addressing

Saturation rate mail may be prepared with detached address labels, subject to A060, or with an alternative addressing format, subject to A040. High-density pieces must have a complete delivery address or an address in occupant or exceptional format. Saturation pieces addressed for delivery on a city route must have a complete delivery address or an address in occupant or exceptional format, except that official mail from certain government entities also may use the simplified format. Saturation pieces for delivery on rural or highway contract routes, or through general delivery or a post office box, must have a complete delivery address or an alternative address format.

2.7 Density

High-density and saturation rate mailings are subject to these density standards:

a. There is no minimum volume per 5-digit ZIP Code delivery area. Pieces need not be sent to all carrier routes within a 5-digit delivery area.

b. For the high-density rate, at least 125 pieces must be prepared for each carrier route for which that discount is claimed, except that fewer pieces may be prepared and the high-density rate may be claimed for carrier routes of 124 or fewer possible deliveries if a piece is addressed to every possible delivery on the route. Multiple pieces per delivery address can count toward this density standard.

c. For the saturation rate, pieces must be addressed either to 90% or more of the active residential addresses or to 75% or more of the total number of active possible delivery addresses, whichever is less, on each carrier route receiving this mail, except that mail addressed in the simplified address format must meet the 100% coverage standard in A040. Multiple pieces per delivery address do not count toward this delivery standard. Sacks with fewer than 125 pieces and less than 15 pounds of pieces may be prepared to a carrier route when the saturation rate is claimed for the contents and the applicable density standard is met.

2.8 Basic Rates

Basic (nonautomation) carrier route rates apply to each piece that is sorted under M620 into the corresponding qualifying groups:

a. Letter-size pieces in a full carrier route tray, or in a carrier route package of 10 or more pieces placed in a 5-digit carrier routes or 3-digit carrier routes tray.

b. Flat-size pieces in a carrier route package of 10 or more pieces palletized under M045, or placed in a carrier route sack containing at least 125 pieces or 15 pounds of pieces or in a 5-digit carrier routes sack.

c. Irregular parcels (merchandise samples prepared with detached address labels under A060) in a carrier route sack or in a carrier route carton(s) containing a total of 125 pieces or 15 pounds of pieces, or in a 5-digit carrier routes sack or carton. (DALs must be in carrier route packages of 10 or more pieces and prepared under A060.)

2.9 High-Density and Saturation

High-density and saturation rates apply to pieces qualified for the basic rates that also meet the applicable addressing and density standards in 2.6 and 2.7.

2.10 Residual Shape (Parcel) Surcharge

Enhanced Carrier Route mail that is prepared as a parcel, or is not letter-size or flat-size as defined in C050, is subject to the residual shape surcharge.

[Revise the title of E630 as follows:]

E630 Standard Mail (B)

[Delete current 630.1 through 630.2. Insert new 630.1 through 630.5.9, which combines former E620.2 through E620.5 with former E630.3 and E630.4 to reorganize and separate standards for Standard Mail (A) from those for Standard Mail (B) and to include new Standard Mail (B) rate categories to read as follows:]

1.0 PARCEL POST

1.1 Basic Standards

Parcel Post is Standard Mail weighing 16 ounces or more that is not mailed as Bound Printed Matter, Special Standard Mail, or Library Mail. Any Standard Mail (B) matter may be mailed at Parcel Post rates, subject to the basic standards in E611 and E613.

1.2 Enclosures

Parcel Post may contain any printed matter mailable as Standard Mail (A), in addition to the enclosures and additions listed in E611.

1.3 Rate Eligibility

There are five Parcel Post rate categories: Intra-BMC, Inter-BMC, destination bulk mail center (DBMC), destination sectional center facility (DSCF), and destination delivery unit (DDU). Intra-BMC, Inter-BMC, and DBMC Parcel Post rates are calculated based on the zone to which the parcel is addressed and the weight of the parcel. DSCF and DDU rates are calculated based on the weight of the parcel. Generally, Intra-BMC rates apply to parcels mailed and delivered within the same BMC service area and Inter-BMC rates apply to parcels mailed in one BMC service area and delivered in a different BMC service area. Specific standards for Inter-BMC and Intra-BMC rates and applicable discounts are described below. Generally, to qualify for destination entry rates (DBMC, DSCF, or DDU), mailers must enter their parcels at the destination BMC, SCF, or delivery unit postal facility that will process or deliver the parcels (see additional requirements in E652). Additional requirements for Parcel Post rates and discounts (other than destination entry rates) are set forth below.

a. Intra-BMC rates apply to all Parcel Post originating and destining in the service area of the same BMC or ASF. Intra-BMC rates also apply to Parcel Post originating and destining in the same state for Alaska and Hawaii and in the same territory for Puerto Rico. See Exhibit 1.3.

b. Inter-BMC rates for machinable parcels apply to all Parcel Post mail that weighs 35 pounds or less; is machinable; originates in the service area of a BMC/ASF, or in Alaska, Hawaii, or Puerto Rico, and destinates outside that area; and is not eligible for destination entry rates.

c. Inter-BMC rates for nonmachinable Parcel Post include the nonmachinable surcharge and apply to all inter-BMC/ASF Parcel Post mail that weighs more than 35 pounds or otherwise is nonmachinable as defined in 1.4; originates in the service area of a BMC/ASF, or in Alaska, Hawaii, or Puerto Rico, and destinates outside that area; and is not eligible for destination entry rates.

d. Parcel Post for which OBMC Presort, BMC Presort, and barcoded discounts are claimed, and parcel post which is mailed at a destination entry rate (DBMC, DSCF, DDU (E652)), must be part of a mailing of 50 or more Parcel Post rate pieces. Eligibility for one of those rates or discounts does not require a separate 50 qualifying pieces per rate or per discount. Eligibility for more than

one of those rates or discounts in the same Parcel Post mailing is possible, provided there are a total of at least 50 pieces of mail qualifying for any or all Parcel Post rates in the mailing and all other preparation and eligibility requirements for the rates or discounts are met.

e. The bulk mail center (BMC) Presort per-piece discount applies to pieces of inter-BMC Parcel Post sorted to BMC destinations under L601 for machinable pieces and sorted to BMC and ASF destinations for nonmachinable pieces under L605. To qualify, machinable pieces must be placed in pallet boxes on pallets and nonmachinable pieces must be placed directly on pallets under M041 and M045. The mail must be entered at a postal facility that is not a BMC and be part of a mailing containing 50 or more Parcel Post rate pieces.

f. The origin bulk mail center presort (OBMC Presort) per-piece discount applies to pieces of inter-BMC Parcel Post sorted to BMC destinations under L601 for machinable pieces and sorted to BMC and ASF destinations for nonmachinable pieces under L605. To qualify, machinable pieces must be placed in pallet boxes on pallets and nonmachinable pieces must be placed directly on pallets under M041 and M045. The mail must be entered at a BMC listed in L601 and be part of a mailing containing 50 or more Parcel Post rate pieces.

g. The barcoded discount applies to Parcel Post machinable parcels (C050) that each bear a correct, readable barcode under C850 for the ZIP Code of the delivery address; are part of a mailing of 50 or more Parcel Post rate pieces; are not mailed at the DSCF or DDU rates; and if claiming the DBMC rates, are not entered at an ASF. An exception is that properly prepared machinable pieces of DBMC rate mail entered at the Phoenix, AZ, ASF may claim the barcoded discount because that facility uses barcode scanning equipment.

h. Pieces measuring over 108 inches but not more than 130 inches in combined length and girth, are mailable at the applicable oversized Parcel Post rate.

i. Pieces measuring over 84 inches, but not more than 108 inches in combined length and girth and weighing less than 15 pounds are subject to the rate equal to that of a 15-pound parcel for the zone to which the parcel is addressed.

Exhibit 1.3 BMC/ASF Service Areas

[Renumber and insert former Exhibit E620.2.4 as Exhibit E630.1.3.]

1.4 Nonmachinable Surcharge

The nonmachinable surcharge applies only to the items listed in 1.4a through 1.4i if mailed at the Inter-BMC/ASF Parcel Post rates and no special handling fee is paid. The nonmachinable surcharge applies to items within these categories:

a. A parcel more than 34 inches long, 17 inches wide, 17 inches high, or weighing more than 35 pounds.

b. A parcel containing more than 24 ounces of liquid in glass containers, or 1 gallon or more of liquid in metal or plastic containers.

c. An insecurely wrapped or metal-banded parcel.

d. A can (paint, etc.), roll, or tube, or wooden or metal box.

e. A shrub or tree.

f. A perishable, such as eggs.

g. Books, printed matter, or business forms weighing more than 25 pounds.

h. A high-density parcel weighing more than 15 pounds and exerting more than 60 pounds per-square-foot pressure on its smallest side.

i. A film case weighing more than 5 pounds or with strap-type closures, except any film case the USPS authorizes to be entered as a machinable parcel under C050 and to be identified by the words ''Machinable in United States Postal Service Equipment,'' permanently attached as a nontransferable decal in the lower right corner of the case.

1.5 Fees

Renumber former E620.2.6 as E630.1.5 and revise to read as follows:]

Parcel Post mail is subject to these fees, as applicable:

a. The fee for mailing at destination BMC (DBMC), destination sectional center facility (DSCF), and destination delivery unit (DDU) Parcel Post rates must be paid once each 12-month period at each post office of mailing by or for any person or organization that mails at the destination entry rates, except as provided otherwise for plant-verified drop shipments. All destination entry rates are covered under the payment of a single annual fee. The fee may be paid in advance only for the next year and only during the last 30 days of the current service period. The fee charged is that which is in effect on the date of payment (R600).

b. The Parcel Post pickup fee must be paid every time pickup service is provided, subject to the corresponding standards in D010.

2.0 BOUND PRINTED MATTER

2.1 Description and Rate Categories

[Renumber former E620.3.1 as E630.2.1 and revise to include new rate categories as follows:]

Bound Printed Matter is Standard Mail weighing at least 1 pound but not more than 15 pounds and meeting the standards in E611, E613, and E630. Bound Printed Matter rates are based on zones and on the weight of the piece. The rate categories are as follows:

a. Single-Piece Rate. The single-piece rate applies to Bound Printed Matter not mailed at the presorted rate or carrier route rate.

b. Presorted Rate. The presorted rate applies to Bound Printed Matter prepared in a mailing of at least 300 pieces, prepared and presorted as specified in M045 and M630.

c. Carrier Route Rate. The carrier route rate applies to Bound Printed Matter prepared in a mailing of at least 300 pieces presorted to carrier routes, prepared and presorted as specified in M045 and M630.

2.2 Characteristics

[Renumber former E620.3.2 as E630.2.2.]

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2.3 Combining Pieces

[Renumber former E620.3.3 as E630.2.3.]

* * * * *

2.4 Enclosures

[Renumber former E620.3.4 as E630.2.4.]

* * * * *

[Add new 2.5 to specify barcoded discount standards as follows:]

2.5 Barcoded Discount

The barcoded discount applies to machinable parcels (C050) bearing a correct, readable barcode under C850 for the ZIP Code shown in the delivery address that are part of a mailing of at least 50 Bound Printed Matter pieces, and are mailed at the single-piece rates or, under the following conditions, mailed at the presorted rates. Except for 5-digit bedloaded bundles, presorted Bound Printed Matter that is prepared under the machinable parcel preparation standards in M045 and M630 is eligible for the barcoded discount. Bedloaded bundles of presorted Bound Printed Matter that are required to be prepared under the sortation standards for flats and irregular parcels are not eligible for barcoded discounts. Carrier route Bound Printed Matter is not eligible for the barcoded discount.

[Renumber E630.3.1 as 2.6 and revise to delete references to E620 to read as follows:]

2.6 Preparation for Presorted Rates

Presorted Bound Printed Matter must meet the basic standards in 2.1 through 2.5 and the applicable preparation standards in M630. Mailings may contain nonidentical-weight pieces only if the correct postage is affixed to each piece or if the RCSC serving the post office of mailing has authorized payment of postage by permit imprint under P710, P720, or P730 or M630.8. Each mailing must contain 300 or more pieces of presorted Bound Printed Matter. Insurance, special handling, and COD services may be used, but selective use of these services for individual parcels must be approved by the RCSC.
[Renumber former E630.3.2 as 2.7.]

2.7 Additional Standards for Carrier Route Rates

Carrier route Bound Printed Matter is subject to these additional standards:

a. Each mailing must contain 300 or more pieces sorted under M630 into groups of at least 10 pieces, 20 pounds, or 1,000 cubic inches each for the same carrier route, rural route, highway contract route, post office box section, or general delivery unit.

b. Residual pieces (not sorted as described in 2.7a) do not count toward the minimum specified in 2.7a, are ineligible for the carrier route Bound Printed matter rates, and must have postage paid at the appropriate presorted Bound Printed Matter rates. Residual pieces may be included in a carrier route Bound Printer Matter rate mailing and be endorsed ''Carrier Route Presort'' or ''CAR–RT SORT.'' The number of residual pieces to any single 5-digit ZIP Code area may not exceed 5% of the total qualifying carrier route pieces addressed to that 5-digit area. Residual pieces must be separated from the pieces that qualify for the carrier route rate and must be prepared under M630.

c. Subject to A930, the mailer must apply carrier route codes to mailings using CASS-certified software and the current USPS Carrier Route Information System (CRIS) scheme or another AIS product containing carrier route information. The carrier route information must be updated within 90 days before the mailing date.
[Renumber former E620.4.0 as E630.3.0.]

3.0 SPECIAL STANDARD MAIL

[Renumber former E620.4.1 as E630.3.1 and add rate categories as follows:]

3.1 Qualification

Special Standard Mail is Standard Mail matter meeting the standards in E611, E613, and those below. Special Standard Mail rates are based on the weight of the piece, without regard to zone. The rate categories are as follows:

a. Single-Piece Rate. The single-piece rate applies to Special Standard Mail not mailed at a 5-digit or BMC rate.

b. Presorted 5-Digit Rate. The 5-digit rate applies to Presorted Special Standard Mail mailings of at least 500 pieces and meeting the other requirements of 4.0 and that are prepared and presorted to 5-digit destination ZIP Codes as specified in M630 or M041 and M045.

c. Presorted BMC Rate. The BMC rate applies to Presorted Special Standard Mail mailings of at least 500 pieces and meeting the other requirements of 4.0 and that are prepared and presorted to destination bulk mail centers as specified in M630 or M041 and M045.
[Renumber former E620.4.2 as E630.3.2.]

3.2 Qualified Items

* * * * *

[Renumber former E620.4.3 as E630.3.3.]

3.3 Loose Enclosures

* * * * *

[Renumber former E620.4.4 as E630.3.4.]

3.4 Enclosures in Books

* * * * *

[Insert current E630.4.0. Amend 4.3 by revising the second sentence and add new E630.4.7 to read as follows:]

4.0 PRESORTED SPECIAL STANDARD MAIL

* * * * *

4.3 One Presort Level

A Presorted Special Standard Mail rate mailing receives only one level of presort rate. The mailer may, however, prepare two separate mailings in order to use both levels of presort rates and claim them on the same postage statement. Pieces that do not qualify for a presort rate must be presented separately from any presorted rate mailings, but may be claimed on the same postage statement as a 5-digit rate and BMC presort rate mailing.

* * * * *

4.7 Barcoded Discount

The barcoded discount applies to machinable parcels (C050) mailed at single-piece rates and Presorted Special Standard Mail BMC rates that bear a correct, readable barcode under C850 for the ZIP Code shown in the delivery address, and that are part of a mailing of at least 50 pieces of Special Standard Mail. The discount does not apply to pieces mailed at the Presorted Special Standard Mail 5-digit rates.
[Renumber former E620.5.0 and 5.1 as E630.5.0 and E630.5.1 to read as follows:]

5.0 LIBRARY MAIL

5.1 Qualification

Library Mail is Standard Mail matter meeting the standards in E611, E613, and those below. Library Mail rates are based on the weight of the piece, without regard to zone. The basic rate category applies to all Library Mail.

[Renumber former E620.5.2 through E620.5.7 as E630.5.2 through E630.5.7.]
[Insert new 5.8 as follows:]

5.8 Barcoded Discount

The barcoded discount applies to machinable parcels (C050) of Library Mail bearing a correct, readable barcode under C850 for the ZIP Code shown in the delivery address and that are part of a mailing of at least 50 Library Mail pieces.

[Insert new 6.0 to read as follows:]

6.0 BULK PARCEL POST

[Reserved]
[Revise the title of E640 and the first sentence of E640.1.1 to read as follows:]

E640 Automation Standard Mail (A) Rates

1.0 REGULAR AND NONPROFIT RATES

1.1 All Pieces

All pieces in an automation rate Regular or Nonprofit Standard Mail (A) mailing must: * * *

* * * * *

E650 Destination Entry

* * * * *

E652 Parcel Post

1.0 BASIC STANDARDS

[Amend 1.1 through 1.4 to add information on DSCF and DDU destination entry rates to read as follows:]

1.1 Definitions

Destination entry discounts apply to Parcel Post mailings prepared as specified in M041, M045, and M630 and addressed for delivery within the service area of a destination BMC (or auxiliary service facility), sectional center facility (SCF), or delivery unit (DU) where they are deposited by the mailer. For this standard, the following destination facility definitions apply:

a. A destination bulk mail center (DBMC) includes all bulk mail centers (BMCs) and auxiliary service facilities (ASFs) under L602, and designated sectional center facilities (SCFs) under 4.0.

b. A destination sectional center facility (DSCF) includes all facilities

listed under L005. Mail that is prepared on pallets for 5-digit ZIP Codes listed in Exhibit 5.0 must be entered at the BMC shown in the exhibit instead of at the SCF serving the 5-digit ZIP Codes of the delivery addresses appearing on mailpieces unless an exception has been granted under 1.3e.

c. A destination delivery unit (DDU) is a facility that delivers to the addresses appearing on the deposited pieces in a destination entry rate Parcel Post mailing. Refer to the Drop Shipment Product maintained by the National Customer Support Center (NCSC) (see G043) to determine the location of a 5-digit delivery facility. There is a charge for the Drop Shipment Product. When the Drop Shipment Product shows that mail for a single 5-digit ZIP Code area is delivered out of more than one postal facility, use the facility from which the majority of city carrier routes are delivered as the facility at which the DDU mail must be entered unless the 5-digit ZIP Code is listed in Exhibit 6.0 or Exhibit 7.0.

1.2 General

A destination entry mailing is a Parcel Post mailing that:

a. May be bedloaded, on pallets, or in pallet boxes on pallets, sacks, or other authorized containers as specified in 2.0 through 5.0, depending on the facility at which the pieces are deposited and;

b. Is not plant-loaded.

1.3 DBMC, DSCF, and DDU Rates

For DBMC, DSCF, or DDU rates, pieces must meet the applicable standards in 1.0 through 5.0 and meet the following criteria:

a. Be part of a single mailing of 50 or more pieces that are eligible for and claimed at any Parcel Post rate or rates.

b. Be deposited at a destination BMC (DBMC) or auxiliary service facility, or other equivalent facility; destination sectional center (DSCF); or destination delivery unit (DDU) as applicable for the rate claimed and as specified by the USPS.

c. Be addressed for delivery within the ZIP Code ranges that the applicable entry facility serves.

d. For destination BMC (DBMC) rates, be part of a Parcel Post mailing that is deposited at a BMC or ASF under L602 or other designated facility under 4.0, addressed for delivery within the ZIP Code range of that facility and prepared in accordance with M041 and M045 or M630.

e. For destination sectional center facility (DSCF) rates, be part of a Parcel Post mailing deposited at a designated SCF facility under L005 (or at a BMC under Exhibit 5.0); addressed for delivery within the ZIP Code service area of that SCF facility under L005 and prepared in accordance with M041 and M045, and/or M630. For 5-digit ZIP Code areas listed under Exhibit 5.0, mail prepared on pallets must be entered at the corresponding BMC facility shown in that Exhibit (not at the SCF) unless an exception is requested 15 days in advance of the mailing in writing and granted by the Area Manager, Operations Support having jurisdiction over the BMC and SCF. Exceptions, if granted, will be for a limited time. Mailers must not prepare mail on pallets (including pallet boxes on pallets) for the DSCF rate if the 5-digit delivery facility is unable to handle pallets. Refer to the Drop Shipment Product maintained by the National Customer Support Center (NCSC) (see G043) to determine which 5-digit delivery facilities can handle pallets (including pallet boxes on pallets). There is a charge for the Drop Shipment Product. When the Drop Shipment Product shows that mail for a single 5-digit ZIP Code area is delivered out of more than one postal facility, use the facility where the majority of city carrier routes are located for purposes of determining if the delivery facility can handle pallets, unless the 5-digit ZIP Code is listed in Exhibit 6.0 or Exhibit 7.0. For ZIP Codes in Exhibits 6.0 and 7.0 use the name of the facility associated with the 5-digit ZIP Code on the respective exhibit along with the Drop Shipment Product to determine if pallets may be prepared for one of those 5-digit areas.

f. For destination delivery unit (DDU) rates, be part of a Parcel Post mailing prepared in accordance with M041 and M045 and/or M630 and deposited at a designated destination delivery unit that delivers parcels to the addresses appearing on the deposited pieces. There is no required minimum number of pieces that must be deposited for the DDU rate and no specific preparation requirements; however, they must be part of a mailing of at least 50 Parcel Post rate pieces and must be separated by 5-digit ZIP Codes. Refer to the Drop Shipment Product maintained by the National Customer Support Center (NCSC) (see G043) to determine the location of the 5-digit delivery facility and whether it can handle pallets (including pallet boxes on pallets). There is a charge for the Drop Shipment Product. When the Drop Shipment Product shows that mail for a single 5-digit ZIP Code area is delivered out of more than one postal facility, use the facility from which the majority of city carrier routes are delivered as the facility at which the DDU mail must be entered and to determine whether that facility can handle pallets, unless the 5-digit ZIP Code is listed in Exhibit 6.0 or Exhibit 7.0. For ZIP Codes in Exhibits 6.0 and 7.0 use the name of the facility associated with the 5-digit ZIP Code on the respective exhibit as the facility at which DDU mail must be entered for that 5-digit ZIP Code. This facility name should be used along with the Drop Shipment Product to determine if that facility can handle pallets. If a DDU facility cannot handle pallets, and a mailer transports mail to the DDU facility on pallets, the driver will have to unload the pallets into a container specified by the delivery unit.

1.4 Postage Payment

Postage payment for DBMC, DSCF, and DDU rate mail is subject to the same standards that apply generally to Standard Mail (B). Except for plant-verified drop shipments (see P750) or metered mail drop shipment (see D072), the mailer must have a meter license or permit imprint authorization at the destination facility parent post office for mailings deposited for entry at a DBMC or ASF, at a destination sectional center facility, or at the parent post office of a destination delivery unit. Postage and fees (under E630) are paid to the post office that verifies the mailings. The mailer must ensure that Form 8125 accompanies all plant-verified drop shipments.

[Rename 1.5 to read as follows:]

1.5 BMC as Agent

The DBMC may act as acceptance agent only for its parent post office (see Exhibit 1.5) and only if authorized by Form 4410 for each mailer depositing DBMC entry rate mail.

[Delete 1.6.]

2.0 PREPARATION

[Amend 2.0 to include new destination entry rates as follows:]

2.1 Bedloaded Parcels

[Revise 2.1 to limit bedloaded destination entry mailings to BMCs and DDUs as follows:]

A mailer may present bedloaded DBMC parcels if the mailer's vehicle has a road-to-bed height of 50 (±2) inches. If applicable, the mail to be entered at different destinations must be separated to prevent mixing of mailings for deposit at different destinations. DBMC rate mailings may be bedloaded for deposit at BMCs/ASFs, and DDU rate mailings may be bedloaded for deposit at DDUs. Refer to the Drop Shipment Product available from the National Customer Support Center (NCSC) (see G043) to determine dock requirements

for a DDU facility. (There is a charge for this information.)

2.2 Containers

[Reorganize and revise 2.2 to include DSCF and DDU mailings and delete use of BMC over-the-road containers for the DBMC rate as follows:]

DBMC (if not bedloaded), DDU rate mailings (if not bedloaded), and all DSCF mailings must be prepared as follows:

a. Machinable parcels for which a DBMC, DSCF, or DDU rate is claimed must be sacked under M630 or prepared on pallets under M041 and M045.

b. For DBMC rate mail, nonmachinable parcels that each weigh 35 pounds or less must be sacked under M630 if the parcels do not contain perishables and the size of the parcels allows a sack to hold at least two pieces. DBMC rate nonmachinable parcels that cannot be sacked in this manner or that weigh more than 35 pounds must be transported as outside (unsacked) pieces. If authorized in advance by the USPS, DBMC rate nonmachinable parcels may be palletized.

c. DSCF rate mail, if sacked under M630, must contain at least 7 pieces per sack or, if the sack is overflow from a 5-digit sack that contains at least 7 pieces it may contain less. DSCF rate mail, if sacked under M045 as overflow from a 5-digit pallet that meets the applicable pallet minimum, may contain any number of pieces. Machinable and nonmachinable pieces may be included in the same sack.

d. For the DSCF rate, 5-digit sacks may be bedloaded or they may be placed on SCF pallets that are labeled and otherwise prepared under M045.

e. For DSCF rate and DDU rate mail, nonmachinable parcels may be palletized (including pallet boxes on pallets). Nonmachinable parcels may be combined with machinable parcels on 5-digit pallets (including pallet boxes on pallets) claimed at DSCF or DDU rates under M041 and M045.

f. For DDU rate mail, there are no minimums for sacks, pallets, or pallet boxes on pallets. DDU rate mail must be separated by 5-digit ZIP Code (even if bedloaded) and, if placed in sacks or on pallets (including pallet boxes on pallets), it must be properly labeled to the 5-digit ZIP Code. Machinable and nonmachinable pieces may be included in the same sack or on the same pallet (including pallet boxes).

3.0 DEPOSIT

3.1 Freight

Drop shipments are freight until deposited and accepted as mail at the destination facility. The mailer may request use of a numbered PVDS band seal to secure mailer vehicles transporting plant-verified drop shipments.

3.2 Presentation

[Revise to include requirements for DSCF and DDU destination entry mailings as follows:]

Destination entry rate mailings must be verified under a plant-verified drop shipment authorization by a detached mail unit (DMU) in the mailer's plant or at the origin post office business mail entry unit (BMEU) serving the mailer's plant. They also may be deposited for verification at a business mail entry unit located at a destination BMC, destination sectional center facility, or other designated destination postal facility. Only plant-verified drop shipments may be deposited at a destination delivery unit not co-located with a post office or other postal facility having a business mail entry unit. When presented to the USPS, destination entry mailings must meet the following requirements:

a. Separation by zone for DBMC rate mailings is required only for permit imprint mailings of identical-weight pieces that are not mailed using a postage payment system under P710, P720, or P730, or not mailed under M630.8.0.

b. Each mailing must be separated from other mailings, and destination entry rate mailings for deposit at one destination postal facility must be separated from mailings for deposit at other facilities.

c. Mail must be separated from freight transported on the same vehicle.

d. Each piece of DBMC, DSCF, or DDU rate Parcel Post must be marked as specified in M012 and M630.

e. The mailer must ensure that Form 8125 accompanies all plant-verified drop shipments.

f. If Periodicals mail is on the same vehicle as Standard Mail (B) the Periodicals mail should be loaded in the tail of the vehicle.

[Rename the title of 3.3 to read as follows:]

3.3 BMC as Agent

The DBMC may verify and accept mail if authorized by Form 4410 to act as agent for the parent post office where the mailer's account or license is held.

3.4 Appointments

[Revise 3.4 to change and update appointment procedures as follows:]

a. Except for local mailers under 3.5 and mailings of perishable commodities, appointments for deposit of destination entry rate mail at BMCs, ASFs, and SCFs must be scheduled through the appropriate appointment control center at least a day in advance. Same day appointments may be granted by a control center on the basis of a telephone request. All appointments for BMC loads must be scheduled by the appropriate BMC control center. Appointments for SCFs and ASFs must be scheduled through the appropriate district control center. Appointments may be made up to thirty (30) calendar days prior to a desired appointment date. Mailers must comply with the scheduled mail deposit time and location. The mailer must cancel any appointment by notifying the appropriate control center at least a day in advance of a scheduled appointment time.

b. Electronic appointments may be made by mailers/agents using a USPS-issued computer log-on ID. Electronic appointments or cancellations must be made at least 12 hours prior to the desired time and date. All information required by the USPS appointment system regarding a mailing must be furnished.

c. For deposit of DDU mailings, an appointment must be made by contacting the DDU at least 24 hours in advance. If the appointment must be canceled, a mailer must notify the DDU at least a day in advance of a scheduled appointment. Mailers desiring electronic confirmation of DDU mail entry also must schedule the appointment through the district control center. Recurring (standing) appointments will be allowed if shipment frequency is weekly or more often.

d. When Periodicals are transported together with Standard Mail (A) or (B) as a mixed load (E250), an appointment must be obtained for deposit at a destination entry facility.

* * * * *

3.7 Deposit Conditions

[Revise 3.7a to clarify that rescheduling is permitted for refused mailings as follows:]

Deposit of mail also is subject to these conditions:

a. Destination facilities may refuse mailings that are unscheduled or late (i.e., if vehicles arrive more than 2 hours after the scheduled appointment at ASFs, BMCs, or SCFs and more than 20 minutes late at delivery units). If a mailing is refused, a mailer is permitted to make a new appointment.

* * * * *

3.8 Vehicle Unloading

[Revise 3.8 to include DSCF and DDU rate mail as follows:]

Unloading of destination entry mailings is subject to these conditions:

a. Properly prepared containerized loads (e.g., pallets) are unloaded by the USPS at BMCs, ASFs, and SCFs. The USPS does not unload or permit the mailer (or mailer agent) to unload palletized loads that are unstable or severely leaning or that have otherwise not maintained their integrity in transit.

b. The driver must unload bedloaded shipments within 8 hours of arrival at BMCs, ASFs, and SCFs. Combination containerized and bedloaded drop shipment mailings are classified as bedloaded shipments for unload times. The USPS may assist in unloading.

c. At delivery units, the driver must unload all mail, whether bedloaded, sacked, or palletized (including pallet boxes on pallets) within 1 hour of arrival. If pallets (including pallet boxes on pallets) are stacked, the driver is required to unload, unstack, and unstrap them. If a DDU facility cannot handle pallets, and a mailer transports mail to the DDU facility on pallets, the driver must unload the pallets into a container specified by the delivery unit. The driver may be required to place bedloaded pieces in containers provided by the delivery unit in order to maintain separation by 5-digit ZIP Codes or to place containerized mail so as to maintain the separation of 5-digit ZIP Codes.

d. When driver unloading is required, the driver or assistant must stay with and continue to unload the vehicle once at the dock.

e. The driver must remove the vehicle from USPS property after unloading. The driver and assistant are not permitted in USPS facilities except the dock and designated driver rest area.

3.9 Charges

[Revise 3.9 to include all destination rate mailings as follows:]

The USPS is not responsible for demurrage or detention charges incurred by a mailer who presents destination rate mailings.

3.10 Appeals

Mailers who believe that they are denied equitable treatment may appeal to the manager, customer service (district), responsible for the destination postal facility.

3.11 Documentation

[Revise 3.11 to include DSCF and DDU mailings as follows:]

A postage statement must accompany each destination entry rate mailing. Any other documentation must be submitted as required by the standards for the rate claimed or the postage payment method used.

* * * * *

[Add 5.0 as follows to provide for deposit of some DSCF mail at a BMC:]

5.0 DSCF MAIL ENTERED AT A DESIGNATED BMC

DSCF rate mail prepared on pallets (including pallet boxes on pallets) that is for a 5-digit ZIP Code listed in Exhibit 5.0 must be entered at the corresponding BMC facility listed on that exhibit instead of at the DSCF unless an exception has been granted under 1.3e. Sacked DSCF rate mail for the 5-digit ZIP Codes in Exhibit 5.0 must be entered at the DSCF.

EXHIBIT E652.5.0, BMC DEPOSIT OF DSCF RATE PALLETS

BMC	Destination ZIP code
ATLANTA	30006–08, 30, 32–37, 60–69, 71, 80–86, 88–90.
	30305–07, 19, 24, 28–29, 38, 40–42, 45–46, 59, 62–63, 66, 76.
	31101.
	39901.
CHICAGO	53140–44.
	53401–08.
	60016–17, 19, 25, 53, 56, 68, 70, 76–77.
	60103, 05, 07, 20–23, 26, 31, 53–54, 60–65, 68, 76, 79, 87, 89, 92–95.
	60301–04, 06–99.
	60409, 11–12, 15, 22, 25, 30–33, 35–36, 38–41, 46, 53–58, 62, 64–65, 67, 73, 77–78, 82, 90.
	60504–07, 15–17, 21–23, 25–26, 40, 42, 63–64, 66–68, 98.
	60601, 05, 08–60, 67, 81, 90, 93–94.
	60714.
	60803–05.
CINCINNATI	None.
DALLAS	None.
DENVER	69190.
	80001–19, 32, 40–42, 44, 46–47.
	80110–15, 20–29, 50–56, 60–63, 65–67.
	80215, 21–22, 24, 26–29, 31–33, 35–37, 51.
	80401–19.
	80521–28, 53–54.
	80631–39.
DES MOINES	50000–50399, 50900–50999.
DETROIT	48007, 15, 21, 25–26, 34,37, 42–46, 66–73, 75–76, 80–84, 86, 89–93,98–99.
	48103–04, 06–09, 11–13, 20–28, 30, 34, 41, 50–54, 61–62, 70, 74, 80, 82–88, 92, 95, 97–98.
	48192, 95, 97–98.
	48204, 20–21, 27–28, 35.
	48310–18, 40–43, 97.
GREENSBORO	27101–02.
	27408–10.
	27514–16.
	27701.

EXHIBIT E652.5.0, BMC DEPOSIT OF DSCF RATE PALLETS—Continued

BMC	Destination ZIP code
JACKSONVILLE	31520–25, 27.
	32065, 67, 73, 84–86, 91–92, 95.
	32173–76.
	32205, 07, 10–11, 16, 20–22, 24–25, 30, 36, 38–39, 44–45, 47, 54, 77.
	32901–12, 19, 22–32, 34–37, 40–41, 51–56, 58–69, 76–78.
	33427–29, 31–34, 60–67, 81, 86–87, 96–98.
	33755–67, 70–79.
	33880–85.
	34101–06, 08–10, 12–14, 16–17, 19–20.
	34470–82.
	34945–51, 54, 79–82, 94–97.
KANSAS CITY	64013–15, 50–51, 55–56, 58.
	64116–19, 51, 53–54, 57–61, 63–64, 67, 88, 90.
	66002, 44–49.
LOS ANGELES	90220–23, 40–42, 80.
MEMPHIS	38018, 88.
	38115, 18, 25, 33–35, 38–39, 41, 75, 81, 83–84, 88, 93, 95.
	38614.
	38732.
MINNEAPOLIS/ST. PAUL	None.
NEW JERSEY	None.
PHILADELPHIA	19001–04, 06–10, 12–18, 20–23, 25–26, 28–41, 43–44, 46–50, 52–53, 61, 63–67, 70, 72–76, 78–91, 93–96.
	19111, 14–16, 19–20, 24, 28, 34–37, 40, 44, 49, 52, 54–55, 60.
PITTSBURGH	None.
ST. LOUIS	62002, 40.
	62220–23, 26.
	63005–06, 11, 17, 21–22, 24, 31–34, 42–45, 74.
	63104–41, 43–44, 46–47, 51, 57–58.
	63301–04.
SAN FRANCISCO	93921–23.
	94002–03, 10–12, 22–28, 30, 35, 39–43, 59, 61–65, 70, 86–89.
	94401–99.
	94504, 06, 08, 11–24, 26–29, 33, 35–46, 48, 55–56, 58–63, 67, 70–71, 73–81, 83–85, 89–99.
SEATTLE	98002–04, 23, 31, 35, 63–64, 92–93.
SPRINGFIELD	None.
WASHINGTON	None.

6.0 DELIVERY FACILITY EXCEPTIONS TO THE ''MAJORITY OF CITY CARRIERS'' RULE

For ZIP Codes in Exhibit 6.0 use the name of the facility associated with the 5-digit ZIP Code in that exhibit as the facility at which DDU rate mail for that 5-digit ZIP Code must be entered, and for both DDU and DSCF mail, to determine whether that 5-digit facility can handle pallets. See 1.1 and 1.3.

Exhibit E652.6.0, Delivery Facility Exceptions to the ''Majority of City Carriers'' Rule

This listing identifies 5-digit ZIP Codes that are exceptions to the ''majority of city carriers rule'' which is used to determine the Standard (B) parcel facility for a 5-digit ZIP Code in instances of where a ZIP Code is delivered by multiple facilities. The name of the primary facility for parcel delivery is listed beside each 5-digit ZIP Code. Additional information about the facility including drop ship address and whether the facility can handle a pallet is included in the Drop Shipment Product. At a future date this list will be available in the Drop Shipment Product.

ZIP Code	Facility name
ALABAMA:	
36130	Montgomery.
ALASKA:	
99701	Main Office.
99709	Main Office.
99801	Mendenhall.
CALIFORNIA:	
91941	La Mesa.
92056	Oceanside.
92122	Universal City Annex.
92623	Harvest Station.
92693	San Juan Capistrano.
94087	Sunnyvale.
94304	Palo Alto.
FLORIDA:	
34743	Buena Ventura Lakes.
34747	Celebration.
GEORGIA:	
30811	Keysville.
31704	Albany.
IOWA:	
52401	Cedar Rapids.
KANSAS:	
66044	Jayhawk.
66226	Monticello.
66619	Hicrest.
KENTUCKY:	
40022	Simpsonville.
40763	Williamsburg.
41730	Hyden.
42338	Hartford.
LOUISIANA:	
70503	Oil Center.
71201	Monroe.
MAINE:	
04043	Kennebunk.
04345	Gardiner.
04402	Eastern Maine Carrier Annex.
04769	Presque Isle.
04841	Rockland.
MASSACHUSETTS:	
02584	Nantucket.
MINNESOTA:	
55369	Maple Grove.
55378	Burnsville.
56387	Waite Park.
MISSOURI:	
64113	Country Club.
MONTANA:	
59106	Billings.
NEW HAMPSHIRE:	
03224	Tilton.
NEW YORK:	
14304	Niagara Falls.
NORTH CAROLINA:	

ZIP Code	Facility name
27706	Durham.
28018	Forest City.
28309	Lafayette.
OHIO:	
45013	Hamilton.
45459	Centerville.
PENNSYLVANIA:	
18073	Red Hill.
18241	Nuremberg.
19026	Pilgrim Gardens.
19136	Holmesburg Carrier Annex.
RHODE ISLAND:	
02842	Middleton.
SOUTH DAKOTA:	
57402	Aberdeen.
TENNESSEE:	
37224	South.
TEXAS:	
75501	Texarkana.
75903	Lufkin.
VIRGINIA:	
22320	Alexandria.
22405	Fredericksburg.
23433	Driver.
23521	LC Page.
WASHINGTON:	
98203	Claremont.
98324	Carbonado.
98375	South Hill Annex.
98387	Spanaway.
98687	East Vancouver DDU.
WEST VIRGINIA:	
25801	Beckley.
26302	Eastpointe.
26330	Eastpointe.
WISCONSIN:	
53703	Madison.

7.0 DELIVERY FACILITIES DIFFERENT THAN THOSE IN THE DROP SHIPMENT PRODUCT

For ZIP Codes in Exhibit 7.0 use the name of the facility associated with the 5-digit ZIP Code in that exhibit as the facility at which DDU rate mail for that 5-digit ZIP Code must be entered, and for both DDU and DSCF mail, to determine whether that 5-digit facility can handle pallets. See 1.1 and 1.3.

Exhibit E652.7.0, Delivery Facilities Different than those in the Drop Shipment Product

Parcel Post mailings for the ZIP Codes shown must be deposited at the facilities listed in order to qualify for destination delivery unit rates. The listing identifies 5-digit ZIP codes and facilities that are different from the ones indicated in the Drop Shipment Product for letters and flats. At a future date this information will be available in the Drop Shipment Product.

ZIP codes served	Destination delivery unit location
ALASKA:	
99702	Fairbanks—5400 Mail Trail, Fairbanks, AK 99709–9998.
CALIFORNIA:	
90223	Compton—701 S. Santa Fe Avenue, Compton, CA 90221–9998.
92677	Laguna Niguel—29911 Niguel Road, Laguna Beach, CA 92607–9998.
92684	Westminster—15080 Goldenwest Circle, Westminister, CA 92685–9998.
FLORIDA:	
34278	Manasota P&DC—850 Tallevast Road, Sarasota, Florida 34243–3249.
MASSACHUSETTS:	
02113, 14, 29, 99	Boston P&DC—25 Dorchester Avenue, Boston, MA 02205–9998.
02215.	Incoming Mail Center—307 Beacham Street,
02144–45	Chelsea, MA 02150–9998.
MISSISSIPPI:	
39563	Pascagoula—911 Jackson Avenue, Pascagoula, MS 39567–9998.
MINNESOTA:	
55102	Saint Paul—180 Kellogg Blvd. E., Saint Paul, MN 55101–9997.
MONTANA:	
59401, 04–05, 14	Great Falls Annex—1409 14th Street SW, Great Falls, MT 59404–9998.
NEW YORK:	
10001, 18, 26, 27, 29, 32–35, 40, 43, 60, 81, 87, 90, 95, 98, 99.	New York City—James A. Farley Building, 441 8th Avenue, New York, NY 10001–9998.
10115–23, 99.	
10017, 21, 22, 28, 30, 31, 37, 39, 44, 55.	Bronx—East Side Parcel Post Annex, 500 East 132nd Street, Bronx, NY 10454–4619.
10128, 51–55, 62, 65–78.	
10002–07, 09–14, 16, 19, 20, 23–25, 36, 38, 41.	New York—Central Parcel Post Facility, 341 9th Avenue, New York, NY 10199–9991.
10103–07, 10, 49, 58.	
10210, 56–60, 65, 70, 71, 79, 80–82, 85, 86, 92	
10008, 15, 45–48, 80	New York—Church Street Station, 90 Church Street, New York, NY 10007–9998.
10203, 49, 61, 67.	
10111, 12, 29, 85	New York—Times Square Station, 340 W. 42nd Street, New York, NY 10036–9998.
10461	Soundview—1687 Gleason Avenue, Bronx, NY 10472–9998.
10463	Mott Haven—517 E. 139th Street, Bronx, NY 10454–9998.
14901	Elmira P&DC—1580 Sullivan Street, Elmira, NY 14901–9997.
PENNSYLVANIA:	
15131–35	McKeesport—850 Walnut Street, McKeesport, PA 15134.
15122	West Mifflin—500 Regis Avenue, Pittsburgh, PA 15236–9998.
15201	Bloomfield—5182 Liberty Avenue, Pittsburgh, PA 15224–9998.
15223	Glenshaw—1541 Butler Park Road, Pittsburgh, PA 15116–9998.
15225	Woods Run Annex—2840 New Beaver Avenue, Pittsburgh, PA 15233–9998.
15240	Oakland—347 S. Bouquet Street, Pittsburgh, PA 15213–9998.
15244	Greentree—770 Trumbull Drive, Pittsburgh, PA 15220.
17735	Canton—55 Troy Street, Canton, PA 17724–9998.

E670 Nonprofit Standard Mail

* * * * *

9.0 MAILING WHILE APPLICATION PENDING

* * * * *

9.2 Postage Record

[Amend 9.2 by removing ''or Single-Piece Standard Mail'' in the last sentence to read as follows:]

While an application is pending, postage must be paid at the applicable First-Class Mail or Priority Mail rates, or at the following Standard Mail (A) rates: regular Enhanced Carrier Route; regular automation, or regular Presorted. The USPS records the difference between postage paid at the regular Standard Mail (A) rates (Enhanced Carrier Route, automation and Presorted) and the postage that would have been paid at the Nonprofit Standard Mail rates. No record is kept if postage is paid at First-Class Mail or Priority Mail rates.

9.3 Refund

[Amend 9.3b by removing ''or Single-Piece Standard Mail'' to read as follows:]

If an authorization to mail at Nonprofit Standard Mail rates is issued, the mailer may be refunded the postage paid at that office in excess of the Nonprofit Standard Mail rate since the effective date of the authorization. No refund is made:

* * * * *

b. If postage was paid at First-Class Mail or Priority Mail rates.

* * * * *

F Forwarding and Related Services

F000 Basic Services

F010 Basic Information

* * * * *

3.0 DIRECTORY SERVICE

[Amend 3.0d by removing ''or Single-Piece Standard Mail'' to read as follows:]

USPS letter carrier offices give directory service to the types of mail listed below that have an insufficient address or cannot be delivered at the address given (the USPS does not compile a directory of any kind):

* * * * *

d. Parcels mailed at any Standard Mail (B) rate or endorsed by the mailer.

* * * * *

5.0 CLASS TREATMENT FOR ANCILLARY SERVICES

5.1 Priority Mail and First-Class Mail

[Insert new sentence before the chart in 5.1 to read as follows:]

Undeliverable Priority Mail and First-Class Mail (including stamped cards and postcards) are treated as described in the chart below. During months 13 through 18, pieces are returned to the sender with an on-piece address correction at no charge. Forwarding address information is not provided for mail with the exceptional address format. The Priority Mail portion of a Priority Mail drop shipment receives the forwarding, return, and address correction services described in this chart. The mail enclosed in a Priority Mail drop shipment receives the services appropriate for its class. First-Class Mail and Priority Mail that bear Standard Mail (A) markings and endorsements as permitted in E620.1.3 and P100, receive forwarding, return, and address correction services for Standard Mail (A) under 5.3.

* * * * *

5.2 Periodicals

[Amend 5.2e and 5.2g to read as follows:]

Undeliverable Periodicals publications (including publications pending Periodicals authorization) are treated as described in the chart below and under these conditions:

* * * * *

e. The publisher may request the return of copies of undelivered Periodicals publications by printing the endorsement ''Address Service Requested'' on the envelopes or wrappers, or on one of the outside covers of unwrapped copies, immediately preceded by the sender's name, address, and ZIP+4 or 5-digit ZIP Code. The per piece rate charged for return is the appropriate single-piece First-Class Mail or Priority Mail rate as applicable for the weight of the piece. When the address correction is provided incidental to the return of the piece, there is no charge for the correction. This endorsement obligates the publisher to pay return postage.

* * * * *

g. Periodicals matter is forwarded only to domestic addresses.

[Amend the ''Address Service Requested'' portion of 5.2g (chart) to read as follows:]

Mailer endorsement	USPS action on UAA pieces
''Address Service Requested'' [1].	First 60 days: piece forwarded; no charge.
	After 60-day period, or if undeliverable: piece returned with address correction or reason for nondelivery attached; single-piece First-Class or Priority Mail rate as applicable for weight of piece charged.
''Forwarding Service Requested''.	Not available for Periodicals.
''Return Service Requested''	Not available for Periodicals.
''Change Service Requested''.	Not available for Periodicals.
No endorsement [1]	First 60 days: piece forwarded; no charge.
	After 60-day period, or if undeliverable: separate address correction or reason for nondelivery provided; address correction fee charged; piece disposed of by USPS.

[1] Valid for all pieces, including Address Change Service (ACS) participating pieces.

5.3 Standard Mail (A)

[Amend 5.3 by deleting 5.3a and renumbering 5.3b through 5.3i as 5.3a through 5.3h, respectively. Revise renumbered 5.3a, 5.3b, and 5.3f through 5.3h to read as follows:]

Undeliverable Standard Mail (A) is treated as described in the chart below and under these conditions:

a. Mail that qualifies for a single-piece Special Standard or Library Mail Standard Mail (B) rate under the applicable standards is forwarded and returned at that rate, if the mailer's endorsement includes the name of the applicable Standard Mail (B) rate.

b. Mail that qualifies for Shipper Paid Forwarding (F020) under the applicable standards is forwarded at, and (if necessary) returned at the single-piece First-Class or Priority Mail rate as applicable for the weight of the piece.

* * * * *

f. The weighted fee is the appropriate single-piece First-Class or Priority Mail rate, as applicable for the weight of the piece, multiplied by 2.472 and rounded

up to the next whole cent (if the computation yields a fraction of a cent). The weighted fee is computed (and rounded if necessary) for each piece individually. Neither the applicable postage, the factor, nor any necessary rounding is applied cumulatively to multiple pieces. The fee is charged when an unforwardable or undeliverable piece is returned to the sender and the piece is endorsed ''Address Service Requested'' or ''Forwarding Service Requested.'' These endorsements obligate the sender to pay the weighted fee on all returned pieces.

g. Mail that qualifies for Bulk Parcel Return Service (BPRS) under the applicable standards in S924 is returned at the BPRS per piece fee if the mailer uses one of the endorsements that includes ''—BPRS.''

Mailer endorsement	USPS action on UAA pieces
''Return Service Requested—BPRS''.	Piece returned with new address or reason for nondelivery attached; only the Bulk Parcel Return Service fee charged (address correction fee not charged).
''Address Service Requested—BPRS''.	Months 1 through 12: piece forwarded; no charge to addressee; separate ACS notice of new address provided; ACS address correction fee and postage at single-piece First-Class or Priority Mail rate as applicable for weight of piece charged via ACS participant code. Months 13 through 18: piece returned with new address attached; only the Bulk Parcel Return Service fee charged (address correction fee not charged). After Month 18, or if undeliverable: piece returned with reason for nondelivery attached; only Bulk Parcel Return Service fee charged (address correction fee not charged).

h. Standard Mail (A) is forwarded only to domestic addresses.

Mailer endorsement	USPS action on UAA pieces
''Address Service Requested'' [1].	Months 1 through 12: piece forwarded; no charge; separate notice of new address provided; address correction fee charged. Months 13 through 18: piece returned with new address attached; only weighted fee charged (address correction fee not charged). After month 18, or if undeliverable: piece returned with reason for nondelivery attached; only weighted fee charged (address correction fee not charged).
''Forwarding Service Requested''.	Months 1 through 12: piece forwarded; no charge. Months 13 through 18: piece returned with new address attached; only weighted fee charged (address correction fee not charged). After month 18, or if undeliverable: piece returned with reason for nondelivery attached; only weighted fee charged (address correction fee not charged).
''Return Service Requested''	Piece returned with new address or reason for nondelivery attached; only return postage at single-piece First-Class or Priority Mail rate as applicable for weight of piece charged (address correction fee not charged).
''Change Service Requested'' [1].	Separate notice of new address or reason for nondelivery provided; in either case, address correction fee charged; piece disposed of by USPS.
No endorsement	Piece disposed of by USPS.

[1] Valid for all pieces, including Address Change Service (ACS) participating pieces.

* * * * *

6.0 ENCLOSURES AND ATTACHMENTS

[Amend the first sentences of 6.1 and 6.2 to read as follows:]

6.1 Periodicals

Undeliverable Periodicals publications (including publications pending Periodicals authorization) with a nonincidental First-Class Mail attachment or enclosure are returned at the single-piece First-Class Mail or Priority Mail rate as applicable for the weight of the piece. The weight of the attachment or enclosure is not included when computing the charges for return of the mailpiece. Undeliverable Periodicals publications (including publications pending Periodicals authorization) with an incidental First-Class Mail attachment or enclosure are treated as dead mail unless endorsed ''Address Service Requested.''

6.2 Standard Mail (A)

Undeliverable, unendorsed Standard Mail (A) with a nonincidental First-Class Mail attachment or enclosure is returned at the single-piece First-Class Mail or Priority Mail rate as applicable for the weight of the piece. The weight of the First-Class Mail attachment or enclosure is not included when computing the charges for return of the mailpiece. Undeliverable, unendorsed Standard Mail (A) with an incidental First-Class Mail attachment or enclosure is treated as dead mail.

* * * * *

8.0 DEAD MAIL

8.1 Basic Information

[Amend 8.1 to read as follows:]

Dead mail is matter deposited in the mail that is or becomes undeliverable and cannot be returned to the sender from the last office of address. Every reasonable effort is made to match articles found loose in the mail with the envelope or wrapper from which lost and to return or forward the articles.

a. Nonmail matter (e.g., wallets and bank deposits) found in collection boxes or at other points within USPS jurisdiction is returned postage due at the single-piece First-Class Mail or Priority Mail rate for keys and identification devices that is applicable based on the weight of the matter.

* * * * *

F020 Forwarding

* * * * *

2.0 FORWARDABLE MAIL

* * * * *

2.3 Discontinued Post Office

[Amend 2.3 by removing ''and all Single-Piece Standard Mail'' to read as follows:]

All Express Mail, First-Class Mail, Periodicals, and Standard Mail (B) addressed to a discontinued post office may be forwarded without added charge

to a post office that the addressee designates as more convenient than the office to which the USPS ordered the mail sent.

2.4 Rural Delivery

[Amend 2.4 by removing ''and all Single-Piece Standard Mail'' to read as follows:]

When rural delivery service is established or changed, a customer of any office receiving mail from the rural carrier of another office may have all Express Mail, First-Class Mail, Periodicals, and Standard Mail (B) forwarded to the latter office for delivery by the rural carrier without added charge, if the customer files a written request with the postmaster at the former office.

* * * * *

2.6 Mail for Military Personnel

[Amend the first sentence of 2.6 by removing ''and all Single-Piece Standard Mail'' to read as follows:]

All Express Mail, First-Class Mail, Periodicals, and Standard Mail (B) addressed to persons in the U.S. Armed Forces (including civilian employees) serving where U.S. mail service operates is forwarded at no added charge when the change of address is caused by official orders. * * *

3.0 POSTAGE FOR FORWARDING

* * * * *

3.5 Standard Mail (A)

[Amend the second sentence of 3.5 to read as follows:]

* * * Shipper Paid Forwarding, used in conjunction with Address Change Service (F030), provides mailers of Standard Mail (A) machinable parcels an option of paying forwarding postage at the single-piece First-Class or Priority Mail rate as applicable for the weight of the piece. * * *

* * * * *

G The USPS and Mailing Standards

* * * * *

G040 Information Resources

* * * * *

G043 Address List For Correspondence

[Add the following at the end of the unit:]

Other

AMERICAN STANDARDS INSTITUTE INC, 11 W 42ND ST, NEW YORK NY 10036–8002, (212) 642–4900

AUTOMATIC IDENTIFICATION MANUFACTURERS (AIM), 634 ALPHA DR, PITTSBURGH PA 15238–2802, www.aimusa.org

UNIFORM CODE COUNCIL INC, 8163 OLD YANKEE RD STE J, DAYTON OH 45458–1839

* * * * *

L Labeling Lists

* * * * *

[Delete the heading ''L100 First-Class Mail'' and labeling list L102.]

L600 Standard Mail

* * * * *

[Insert new labeling list L605 as follows:]

L605 BMCs—Nonmachinable Parcel Post

Mailers preparing BMC Presort and OBMC Presort Parcel Post mailings of nonmachinable parcels must sort the parcels and label pallets according to this list.

Column A—destination ZIP codes	Column B—label to
005–007, 009, 068–079, 085–098, 100–119, 124–127, 340	BMC NEW JERSEY NJ 00102
006–009	SCF SAN JUAN PR 006 [1]
008	BMC NEW JERSEY NJ 00102 [2]
008	BMC JACKSONVILLE FL 32099 [3]
010–067, 120–123, 128, 129	BMC SPRINGFIELD MA 05500
130–136, 140–149	ASF BUFFALO NY 140
150–168, 260–266, 439–447	BMC PITTSBURGH PA 15195
080–084, 137–139, 169–199	BMC PHILADELPHIA PA 19205
200–212, 214–239, 244, 254, 267, 268	BMC WASHINGTON DC 20499
240–243, 245–249, 270–297, 376	BMC GREENSBORO NC 27075
298, 300–312, 317–319, 350–352, 354–368, 373, 374, 377–379, 399	BMC ATLANTA GA 31195
299, 313–316, 320–339, 341, 342, 344, 346, 347, 349	BMC JACKSONVILLE FL 32099
369–372, 375, 380–397, 700, 701, 703–705, 707, 708, 713, 714, 716, 717, 719–729	BMC MEMPHIS TN 38999
250–253, 255–259, 400–418, 421, 422, 425–427, 430–433, 437, 438, 448–462, 469–474	BMC CINCINNATI OH 45900
434–436, 465–468, 480–497	BMC DETROIT MI 48399
500–516, 520–528, 612, 680, 681, 683–689	BMC DES MOINES IA 50999
498, 499, 540–551, 553–564, 566	BMC MPLS/ST PAUL MN 55202
570–577	ASF SIOUX FALLS SD 570
565, 567, 580–588	ASF FARGO ND 580
590–599, 821	ASF BILLINGS MT 590
463, 464, 530–532, 534, 535, 537–539, 600–611, 613	BMC CHICAGO IL 60808
420, 423, 424, 475–479, 614–620, 622–631, 633–639	BMC ST LOUIS MO 63299
640, 641, 644–658, 660–662, 664–679, 739	BMC KANSAS CITY KS 64399
730, 731, 734–738, 740, 741, 743–746, 748, 749	ASF OKLAHOMA CITY OK 730
706, 710–712, 718, 733, 747, 750–799, 885	BMC DALLAS TX 75199
690–693, 800–816, 820, 822–831	BMC DENVER CO 80088
832–834, 836, 837, 840–847, 893, 898, 979	ASF SALT LAKE CTY UT 840
850, 852, 853, 855–857, 859, 860, 863, 864	ASF PHOENIX AZ 852
865, 870–875, 877–884	ASF ALBUQUERQUE NM 870
889–891, 900–908, 910–928, 930–935	BMC LOS ANGELES CA 90901
894, 895, 897, 936–969	BMC SAN FRANCISCO CA 94850
835, 838, 970–978, 980–986, 988–999	BMC SEATTLE WA 98000

[1] Mailed from ZIP Code areas 006–009.

[2] If the entry post office is in ZIP Code areas 010–269, combine with mail for ZIP Code areas 005–007, 009, 068–079, 085–098, 100–119, 124–127, and 340, and label to BMC NEW JERSEY NJ 00102.

[3] If the entry post office is in ZIP Code areas 270–999, combine with mail for ZIP Code areas 299, 313–316, 320–339, 341, 342, 344, 346, 347, and 349, labeled to BMC JACKSONVILLE FL 32099.

* * * * *

M Mail Preparation and Sortation

M000 General Preparation Standards

M010 Mailpieces

M011 Basic Standards

1.0 TERMS AND CONDITIONS

* * * * *

1.3 Preparation Instructions

[Insert new 1.3r and 1.3s to read as follows:]

For purposes of preparing mail:

* * * * *

r. An overflow sack for Parcel Post DSCF rate mail is a 5-digit sack prepared with fewer than 7 pieces after all other sacks for that same 5-digit ZIP Code area are prepared with 7 or more pieces per sack as required by M630. If all of the mail is sacked under M630, only one overflow sack is permitted for each 5-digit ZIP Code. If a mailing is prepared on pallets, remaining pieces of Parcel Post mail may be prepared in one or more 5-digit overflow sacks only after one or more 5-digit pallets are prepared to meet the minimum pallet requirement specified in M045. More than one overflow sack per 5-digit ZIP Code area is permitted for mail prepared to 5-digit pallets under M045. Pieces in overflow sacks qualify for the Parcel Post DSCF rates.

s. An overflow pallet in a Parcel Post DSCF rate mailing is a 5-digit pallet containing pieces that remain after one or more 5-digit pallets have been prepared to meet the minimum pallet requirement specified in M045. Only one overflow pallet per 5-digit ZIP Code area is permitted for DSCF rate mail palletized under M045. Pieces on 5-digit overflow pallets qualify for the DBMC rates.

1.4 Mailing

[Amend 1.4 to read as follows:]

Mailings are defined as:

a. General. A mailing is a group of pieces within the same class of mail and, except for certain parcel rates, the same processing category that may be sorted together and/or may be presented under a single minimum volume mailing requirement under the applicable standards. Generally, types of mail that follow different flows through the postal processing system (e.g., automation, nonautomation carrier route, and other nonautomation) and mail for each separate class and subclass must be prepared as a separate mailing. Other specific standards may define whether separate mailings may be combined, palletized, reported, or deposited together.

b. First-Class Mail. The following types of First-Class Mail may not be part of the same mailing despite being in the same processing category:

(1) automation rate and any other type of mail;

(2) nonautomation Presorted rate and any other type of mail;

(3) nonautomation Presorted rate mail prepared under the optional upgradable preparation and nonautomation Presorted rate mail prepared under the required preparation;

(4) single-piece rate and any other type of mail.

c. First-Class Postcards. Postcards and letters must be prepared as separate mailings except that they may be sorted together if each meets separate minimum volume mailing requirements.

d. Periodicals. Mail qualifying for the In-County subclass rates may be part of a mailing at the Regular rates, or the Nonprofit rates, or the Classroom rates. Mail at carrier route rates, nonautomation presort rates, and automation rates must each be sorted as separate mailings. However, each of these mailings may be reported on the same postage statement provided the pieces are for the same publication and edition. See M041.6.0, M045.5.0, M045.7.0, and M200.6.0 for copalletized, combined, or mixed-rate level mailings.

e. Standard Mail (A). Except as provided in E620.1.2, the following types of Standard Mail (A) may not be part of the same mailing:

(1) automation Enhanced Carrier Route and any other type of mail;

(2) non-carrier route automation and any other type of mail;

(3) nonautomation Enhanced Carrier route and any other type of mail;

(4) Presorted rate mail and any other type of mail;

(5) Presorted rate mail prepared under the optional upgradable preparation and Presorted rate mail prepared under the required preparation;

(6) except as provided by standard, Regular mail may not be in the same mailing as Nonprofit mail, and Enhanced Carrier Route mail may not be in the same mailing as Nonprofit Enhanced Carrier Route mail.

See M041.6.0, M045.5.0, M045.7.0, and M200.6.0 for copalletized, combined, or mixed-rate level mailings.

f. Standard Mail (B). Except for single-piece rate pieces not otherwise subject to a minimum mailing requirement that are presented under an approved manifest mailing system under P710, the following types of Standard Mail (B) may not be part of the same mailing even if in the same processing category:

(1) Parcel Post mail and any other type of mail;

(2) Bound Printed Matter and any other type of mail;

(3) Special Standard and any other type of mail;

(4) Library Mail and any other type of mail.

* * * * *

M012 Markings and Endorsements

[Renumber current M012.3.0 and M012.4.0 as M012.4.0 and M012.5.0, respectively. Reorganize and revise M012.1.0 and M012.2.0 and insert new M012.3.0 to read as follows:]

1.0 MARKINGS—BASIC STANDARDS

1.1 Class and Rate

Except for single-piece First-Class Mail, mailpieces must be marked under the corresponding standards to show the class of service and/or rate paid:

a. Single-Piece First-Class Mail may be identified under E130.2.5.

b. Presorted First-Class Mail and Standard Mail (A) must be marked under 2.0.

c. Standard Mail (B) must be marked under 3.0.

d. Priority Mail must be identified under E120.

e. Periodicals must be identified under E211.

f. Express Mail is identified with the Express Mail mailing label (Label 11 or Form 5625) without any other required class or rate marking.

g. All mailable hazardous materials must be labeled and/or marked as required in C020.

1.2 Enclosures

Enclosures, attachments, and mixed rate mailpieces must be marked under the applicable standards in E070, M070, and P070.

1.3 Printing and Designs

Required markings may be printed by a postage meter, special slug, ad plate, or other means that ensures a legible marking. A marking may not include or be part of a decorative design or advertisement.

2.0 MARKINGS—FIRST-CLASS MAIL AND STANDARD MAIL (A)

2.1 Placement

a. Basic Marking. The basic required marking that indicates the class or subclass—''First-Class.'' ''Presorted Standard'' or ''PRSRT STD'' (or, until January 10, 2001, ''Bulk Rate'' or ''Blk. Rt.''); or ''Nonprofit Organization'' or ''Nonprofit Org.'' or ''Nonprofit'' must be printed or produced as part of, or directly below or to the left of, the permit imprint indicia, meter stamp or impression, or adhesive or precanceled stamp.

b. Other Markings. Other rate-specific markings (''Presorted'' or ''PRSRT'' and ''Single-Piece'' or ''SNGLP'' (First-Class Mail only); ''AUTO'' and ''AUTOCR'' (First-Class Mail and Standard Mail (A)); ''ECRLOT,'' ''ECRWSH,'' and ''ECRWSS'' (Standard Mail (A) only) may be placed in the location specified in 2.1a or, if the marking appears alone or if no other information appears on the line with the marking except postal optional endorsement line information under M013 or postal carrier route package information under M014, may be placed in the address area on the line directly above or two lines above the address. If preceded by two asterisks, the ''AUTO,'' ''AUTOCR,'' ''Single-Piece,'' or ''SNGLP'' markings also may be placed on the line above or two lines above the address in a mailer keyline or a manifest keyline or placed above the address and below the postage in an MLOCR ink-jet printed date correction/meter drop shipment line. Alternatively, the ''AUTO'' or ''AUTOCR'' markings may be placed to the left of the DPBC (subject to the barcode location and clear zone standards in C840).

c. Additional Requirements for Carrier Route. ''AUTOCR'' (First-Class Mail only), ''ECRLOT,'' ''ECRWSH,'' and ''ECRWSS'' (Standard Mail (A) only) must appear in their entirety wherever placed, except ''ECR'' may be placed in the postage area if ''LOT,'' ''WSH,'' or ''WSS,'' as applicable, is placed in the line above or two lines above the address, as specified in 2.1b.

2.2 Exceptions to Markings

a. AUTO Marking. Non-carrier route automation rate First-Class Mail and Standard Mail (A) pieces do not require an ''AUTO'' marking if they bear a DPBC in the address block or on an insert visible through a window in the address block or lower right corner. Non-carrier route automation rate First-Class pieces not marked ''AUTO'' must bear both the ''Presorted'' and ''First-Class'' markings. Non-carrier route automation rate Standard Mail (A) pieces not marked ''AUTO'' must bear the appropriate basic marking for Standard Mail in 2.1a.

b. Manifest Mailings. The basic marking must appear in the postage area on each piece as required in 2.1a. The two-letter rate category code required in the keyline on manifest mailing pieces prepared under P710 meets the requirement for other rate markings (e.g., on a First-Class piece mailed at automation carrier route rates, the ''AC'' code may replace the ''AUTOCR'' marking).

3.0 Placement of Markings—Standard Mail (B)

3.1 Basic Markings

The basic required marking that indicates the subclass—''Bound Printed Matter;'' ''Special Standard Mail'' or ''SPEC STD,'' ''Library Rate'' or ''Library Mail''—must be printed on the mailpiece. Effective January 10, 2000, these basic required markings must be printed or produced as part of, or directly below or to the left of, the permit imprint indicia or meter stamp or impression. The markings ''Parcel Post'' or ''PP'' also must be printed or produced as part of, or directly below or to the left of, the permit imprint indicia or meter stamp or impression. These Parcel Post markings are required for drop shipment rate mail and, effective January 10, 2000, will be required for all Parcel Post mail.

3.2 Other Parcel Post Markings

The required markings ''Drop Ship'' or ''D/S'' for Parcel Post drop shipment rate mail may be placed in the postage area location specified in 3.1. Alternatively, it may be placed in the address area on the line directly above or two lines above the address if the marking appears alone (no other information appears on that line). Until January 10, 2000, mail qualifying for the DBMC rate may bear the marking ''DBMC Parcel Post'' or ''DBMC PP'' in either location.

3.3 Other Bound Printed Matter Markings

The required markings ''Presorted'' (or ''PRSRT'') or ''Presorted Standard'' (or ''PRSRT STD'') or ''Carrier Route Presort'' (or ''CAR-RT SORT'') may be placed in the location specified in 3.1. Alternatively, these markings may be placed in the address area on the line directly above or two lines above the address if the marking appears alone or if no other information appears on the line with the marking except postal optional endorsement line information under M013 or postal carrier route package information under M014.

3.4 Other Special Standard Markings

The required ''Presorted'' or ''PRSRT'' for Special Standard mail may be placed in the location specified in 3.1. Alternatively, it may be placed in the address area on the line directly above or two lines above the address if the marking appears alone (no other information appears on that line).

* * * * *

M032 Barcoded Labels

1.0 BASIC STANDARDS—TRAY AND SACK LABELS

* * * * *

1.3 Content Line (Line 2)

[Amend Exhibit 1.3a by deleting the following headings and all information under them: Priority Mail Letters—Presorted; Priority Mail Flats—Presorted; and Priority Mail Parcels—Presorted.]

[Amend Exhibit 1.3a, Periodicals (PER), by changing the heading ''PER Letters—3/5 and Basic'' to ''PER Letters—5-Digit, 3-Digit, and Basic.'']

[Amend Exhibit 1.3a, Periodicals (PER), by changing the heading ''PER Flats—3/5 and Basic'' to ''PER Flats—5-Digit, 3-Digit, and Basic.'']

[Amend Exhibit 1.3a, Periodicals (PER), by changing the heading ''PER Parcels—3/5 and Basic'' to ''PER Parcels—5-Digit, 3-Digit, and Basic.'']

[Amend Exhibit 1.3a, Periodicals (NEWS), by changing the heading ''NEWS Letters—3/5 and Basic'' to ''NEWS Letters—5-Digit, 3-Digit, and Basic.'']

[Amend Exhibit 1.3a, Periodicals (NEWS), by changing the heading ''NEWS Flats—3/5 and Basic'' to ''NEWS Flats—5-Digit, 3-Digit, and Basic.'']

[Amend Exhibit 1.3a, Periodicals (NEWS), by changing the heading ''NEWS Parcels—3/5 and Basic'' to ''NEWS Parcels—5-Digit, 3-Digit, and Basic.'']

[Amend Exhibit 1.3a, Standard Mail (B), by changing the heading ''Bulk Bound Printed Matter Flats—Carrier Route'' to ''Bound Printed Matter Flats—Carrier Route'']

[Amend Exhibit 1.3a, Standard Mail (B), by changing the heading ''Bulk Bound Printed Matter Flats—Basic'' to ''Presorted Bound Printed Matter Flats—Basic'']

[Amend Exhibit 1.3a, Standard Mail (B), by changing the heading ''Bulk Bound Printed Matter Irregular Parcels—Carrier Route'' to ''Bound Printed Matter Irregular Parcels—Carrier Route'']

[Amend Exhibit 1.3a, Standard Mail (B), by changing the heading ''Bulk Bound Printed Matter Irregular Parcels—Basic'' to ''Presorted Bound Printed Matter Irregular Parcels—Basic'']

[Amend Exhibit 1.3a, Standard Mail (B), by changing the heading ''Bulk Bound Printed Matter Machinable Parcels—Basic'' to ''Presorted Bound Printed Matter Machinable Parcels—Basic'']

[Amend Exhibit 1.3a, Standard Mail (B), by inserting a new Parcel Post category after Parcel Post Machinable Parcels to read as follows:]

Class and mailing	Human-readable	
	CIN	Content line
* * *	*	*
Parcel Post DSCF and DDU Rates		
5-digit sacks	688	STD B 5D
* * *	*	*

M033 Sacks and Trays

1.0 BASIC STANDARDS

1.2 Equipment

[Revise 1.2c to reflect the new 13-ounce weight limit for First-Class Mail to read as follows:]

Mailings must be prepared in the container appropriate for the processing category and rate of the mail as follows:

* * * * *

c. First-Class Mail parcels weighing less than 13 ounces must be prepared in green USPS sacks.

* * * * *

M041 General Standards

* * * * *

4.0 PALLET BOXES

[Revise 4.1, 4.2, and 4.4 to read as follows:]

4.1 Use

A mailer may use pallet boxes constructed of single-, double-, or triple-wall corrugated fiberboard placed on pallets to hold sacks or parcels prepared under M045. Pallet boxes must protect the mail and maintain the integrity of the pallet loads throughout transportation, handling, and processing. Single-wall corrugated fiberboard may be used only for light loads (such as lightweight parcels) that do not require transportation by the USPS beyond the entry office, or for Parcel Post DSCF rate mail. Mailers must supply their own pallet boxes. The base of the boxes must measure approximately 40 by 48 inches. M045 requires the use of pallet boxes meeting the size requirements in 4.2 for machinable Parcel Post claiming OBMC Presort and BMC Presort discounts. M045 prohibits use of pallet boxes for nonmachinable Parcel Post claiming OBMC Presort and BMC Presort discounts. Pallet boxes meeting the size dimensions in 4.2 also may be used at the mailer's option for Parcel Post DSCF and Parcel Post DDU rate mail.

4.2 Height

The combined height of a single pallet, pallet box, and mail may not exceed 77 inches. The contents of the box may not extend above the top rim of the box. For Parcel Post DSCF and Parcel Post DDU rate mailings, the height of the pallet box may not exceed 60 inches (excluding the pallet). For Parcel Post OBMC Presort and BMC Presort rate mailings of machinable pieces, the height of the pallet box must be 69 inches (excluding the pallet).

* * * * *

4.4 Nonconforming

Except when mailing Parcel Post claiming a DSCF or DDU rate, a nonconforming mailer (see 1.4) may use pallet boxes only if the boxes are constructed of triple-wall corrugated fiberboard (C-flute and/or B-flute material) with a maximum height (pallet and box) of 77 inches.

5.0 PREPARATION

* * * * *

5.2 Required Preparation

[Revise text of 5.2 to read as follows:]

These standards apply to:

a. Periodicals, Standard Mail (A), and Parcel Post (other than BMC Presort, OBMC Presort, DSCF and DDU rate mail). [Insert current 5.2.]

b. Parcel Post Mailed at BMC Presort, OBMC Presort, DSCF and DDU Rates. Pallets must meet the requirements specifically prescribed for these rates in M045.

5.3 Minimum Load

[Revise text of 5.3 to read as follows.]

These standards apply to:

a. Periodicals, Standard Mail (A), and Parcel Post (Other than BMC Presort, OBMC Presort, DSCF and DDU Rate Mail). [Insert current 5.3.]

b. Parcel Post Mailed at BMC Presort, OBMC Presort, DSCF and DDU Rates.

A minimum load for the rate claimed may be stated in terms of weight, combined piece minimum and weight, or minimum height. M045 specifies separate minimum mail heights for machinable parcels and for nonmachinable parcels claimed at OBMC Presort and BMC Presort rates. Mail entered at the Parcel Post DSCF rates and prepared directly on pallets or in pallet boxes on pallets must be prepared under either a minimum height requirement or under one of two options requiring a minimum number of pieces and pounds per pallet under M045. There is no minimum weight requirement for an SCF pallet containing 5-digit sacks prepared for the DSCF rate under M630 (see M045). There are no minimums for the Parcel Post DDU rate.

[Renumber current 5.4 through 5.7 as 5.5 through 5.8, respectively. Insert new 5.4 to read as follows:]

5.4 Minimum Height of Mail

The definitions of the minimum height of mail used to qualify for OBMC Presort, BMC Presort and DSCF Parcel Post rates are:

a. Machinable Parcels at OBMC Presort and BMC Presort Discounts and Parcels at DSCF Rates. The minimum height of mail in a pallet box is the shortest vertical distance measured from the bottom of a pallet box to the top of the lowest mailpiece. The height of the pallet is not included in this measurement.

b. DSCF Rates and Nonmachinable Parcels at OBMC Presort and BMC Presort Discounts. The minimum height of mail on a pallet is the shortest vertical distance measured from the top of the pallet to the top of the lowest mailpiece. The height of the pallet is not included in this measurement.

* * * * *

M045 Palletized Mailings

* * * * *

2.0 PACKAGES OF FLATS

* * * * *

2.4 Size—Standard Mail (B)

[In 2.4c to change the phrase ''bulk Bound Printed Matter'' to ''presorted Bound Printed Matter.]

* * * * *

[Add sections 9.0 through 12.0 to specify preparation requirements for the new BMC Presort, OBMC Presort, DSCF, and DDU rates as follows:]

9.0 PARCEL POST—BULK MAIL CENTER (BMC) PRESORT DISCOUNT

9.1 Machinable Parcels

a. To qualify for the BMC Presort discount, machinable pieces must be sorted to BMCs under L601 in 69-inch pallet boxes. Each pallet box must contain at least 52 inches of mail (not including pallet) for a BMC (see M041). Overflow pallet boxes are not permitted. Preparation in sacks, directly on pallets, or in other containers is not permitted.

b. Pallet Box preparation and Line 1 labeling: destination BMC (required); for Line 1 use L601.

c. Pallet Box Line 2 labeling: ''STD B MACH BMC.''

9.2 Nonmachinable Parcels

a. To qualify for the BMC Presort discount, nonmachinable pieces must

be sorted to BMCs and ASFs under L605 directly on pallets. Each pallet for a BMC or ASF destination must have a minimum height of 42 inches of mail (not including the height of the pallet) (see M041). Overflow pallets are not allowed. Preparation in sacks, pallet boxes, or in other containers is not permitted.

b. Pallet preparation and Line 1 labeling: destination BMC or destination ASF (required); for line 1, use L605.

c. Pallet Line 2 labeling: ''STD B NON MACH BMC'' or ''STD B NON MACH ASF,'' as appropriate.

10.0 PARCEL POST—ORIGIN BULK MAIL CENTER PRESORT (OBMC PRESORT) DISCOUNT

10.1 Machinable Parcels

a. To qualify for the OBMC Presort discount, machinable pieces must be sorted to BMCs under L601 in 69-inch pallet boxes. Each pallet box must contain at least 52 inches of mail (not including pallet) for a BMC (see M041). Overflow pallet boxes are not permitted. Preparation in sacks, directly on pallets, or in other containers is not permitted.

b. Pallet Box preparation and Line 1 labeling: destination BMC (required); for Line 1, use L601.

c. Pallet Box Line 2 labeling: ''STD B MACH BMC.''

10.2 Nonmachinable Parcels

a. To qualify for the OBMC Presort discount, nonmachinable pieces must be sorted to BMCs and ASFs under L605 directly on pallets. Each pallet for a BMC or ASF destination must have a minimum height of 42 inches of mail (not including the height of the pallet) (see M041). Overflow pallets are not allowed. Preparation in sacks, pallet boxes, or in other containers is not permitted.

b. Pallet preparation and Line 1 labeling: destination BMC or destination ASF (required); for line 1, use L605.

c. Pallet Line 2 labeling: ''STD B NON MACH BMC'' or ''STD B NON MACH ASF,'' as appropriate.

11.0 PARCEL POST DSCF RATES—PARCELS ON PALLETS

11.1 Basic Preparation, Parcels on Pallets

Unless prepared under 11.2, or in sacks under M630, mail must be prepared for the DSCF rate as follows:

a. General. Parcels for each SCF area must be sorted to 5-digit ZIP Codes on pallets. For purposes of this section the term pallets includes preparation of parcels directly on pallets and preparation of parcels in pallet boxes on pallets. Except when prepared under 11.2, each 5-digit pallet must meet a minimum volume requirement under one of the criteria in 11.1b. Machinable and nonmachinable pieces may be combined on the same pallet or in the same overflow sack. In a single mailing mailers may prepare some pallets under the minimum volume requirement in 11.1b(1) and some pallets under the minimum volume requirement in 11.1b(2). A mailing entered at a destination SCF facility containing pallets prepared under 11.1 also may include mail that is sacked for the DSCF rate under M630. Double-stacking is permitted if the requirements of M041 are met.

b. Minimum Volume. The minimum volume per 5-digit pallet can be met in one of the following ways.

(1) pieces may be placed on 5-digit pallets each containing at least 50 pieces and 250 pounds, or

(2) pieces can be placed on 5-digit pallets each having a minimum height of 36 inches of mail (not including the height of the pallet) (see M041).

c. Overflow. If after filling a pallet or pallets to a 5-digit destination, pieces remain that do not meet the minimum pallet requirements they may be prepared in one of the following ways. One or both methods may be used in a single mailing.

(1) Placed in 5-digit overflow sacks (no minimum number of pieces per sack) that are labeled in accordance with the 5-digit sacking requirements for the DSCF rate in M630. Overflow pieces sacked in this manner are eligible for the DSCF rates.

(2) Placed on a 5-digit pallet labeled under 11.1d that does not meet the minimums for the DSCF rate. Overflow pieces palletized in this manner are not eligible for the DSCF rates but are eligible for the DBMC rates.

d. 5-digit pallet labeling:

(1) for Line 1, use city, state, and 5-digit ZIP Code destination of contents.

(2) for Line 2 use: ''STD B 5D.''

e. Separation. If sacks prepared under M630 are included in the same mailing as pallets prepared under this section, at the time of acceptance the mailer must separate sacks that are overflow from palletized mail from those sacks that were prepared under the provisions of M630.

11.2 Alternate Preparation, Parcels on Pallets

DSCF rate mailings not prepared under 11.1 may be prepared as follows:

a. General. All DSCF rate mail in the mailing must be sorted to 5-digits under 11.2 (i.e., mail prepared under 11.1 and mail sacked under M630 must not be included in a mailing prepared under 11.2). For purposes of this section the term pallets includes preparation of parcels directly on pallets and preparation of parcels in pallet boxes on pallets. Machinable and nonmachinable pieces may be combined on the same pallet or in the same overflow sack. The documentation in 11.2e must be presented at the time of verification. Double-stacking is permitted if the requirements of M041 are met.

b. Minimum Volume. To qualify for the DSCF rate, no pallet may contain fewer than 35 pieces and 200 pounds, and for the entire mailing the average number of DSCF rate pieces per 5-digit pallet must be at least 50.

c. Overflow. If after filling a pallet or pallets to a 5-digit destination, pieces remain that do not meet the minimum pallet requirement they may be prepared in one of the following ways. One or both methods may be used in a single mailing.

(1) Placed in 5-digit overflow sacks (no minimum number of pieces per sack) that are labeled in accordance with the DSCF sacking requirements in M630. Overflow pieces sacked in this manner are eligible for the DSCF rates.

(2) Placed on a 5-digit pallet labeled under 11.2d that does not meet the minimums for the DSCF rate. Overflow pieces palletized in this manner are not eligible for the DSCF rates but are eligible for the DBMC rates.

d. 5-digit pallet labeling:

(1) For Line 1, use city, state, and 5-digit ZIP Code destination of contents.

(2) For Line 2 use: ''STD B 5D.''

(3) In mailer area below line 3: the pallet ID number.

e. Documentation. A list of each 5-digit pallet in the mailing that qualifies for the DSCF rate must be submitted. The pallets in the mailing that qualify for the DSCF rate must be numbered sequentially, and this pallet identification number must be printed below Line 3 on the pallet label. The documentation must list each pallet in sequential order by pallet identification number. The listing must show for each pallet the pallet identification number, the 5-digit ZIP Code of the pallet, the total weight of pieces on the pallet, the total number of pieces on the pallet, and the cumulative total of pieces (i.e., the number equal to the number of pieces for that pallet plus the sum of the pieces on all pallets listed above it). This documentation must not include: pieces prepared in overflow sacks at the DSCF rate, and pieces prepared on overflow pallets at the DBMC rates, or pieces claimed at any other rate in the mailing.

11.3 5-Digit ZIP Codes for Which Pallets May Not Be Prepared

Refer to the Drop Shipment Product available from the National Customer Support Center (NCSC) (see G043) and to Exhibits E652.6.0 and E652.7.0 to determine if the facility serving the 5-digit destination can handle pallets. There is a charge for the Drop Shipment Product. If a facility cannot handle pallets, the DSCF rate is not applicable unless the mail can be prepared under the sacking requirement in M630.

11.4 5-Digit ZIP Codes Requiring BMC Entry

Refer to Exhibit E652.5.0 for 5-digit destinations where palletized mail must be entered at the BMC that serves the SCF to obtain the DSCF rate.

12.0 PARCEL POST DSCF RATES—SACKS ON PALLETS

Mailers who prepared DSCF rate mail in 5-digit sacks under M630 may place 5-digit sacks for the same SCF area on an SCF pallet (including a pallet box on a pallet). Mailers who prepare overflow from pallets under 11.1 or 11.2 may place 5-digit sacks for the same SCF area on an SCF pallet (including a pallet box on a pallet). See 11.1e for requirements concerning separation of sacks prepared under M630 from sacks prepared under 11.1. There are no pallet minimums for such pallets. Mailers may prepare such SCF pallets without having to prepare all possible 5-digit pallets prior to preparing the SCF pallet. The pallets must be labeled in the following manner:

Line 1: Use L002, Column C
Line 2: STD B PP 5D SACKS

13.0 PARCEL POST DDU RATES

Parcels may be bedloaded, sacked, or palletized. For purposes of this section the term pallets includes preparation of parcels directly on pallets and preparation of parcels in pallet boxes on pallets. There are no preparation or presort requirements for DDU rate mailings other than separation by 5-digit. If pieces are sacked or palletized, they must be prepared to 5-digits and labeled as follows: Line 1 labeling—use city, state, and 5-digit ZIP Code destination; Line 2 use ''STD B 5D.'' Machinable and nonmachinable pieces may be combined. Refer to the Drop Shipment Product maintained by the National Customer Support Center (NCSC) (see G043) and the information in E652 including Exhibits E652.6.0 and E652.7.0 to determine the location of the 5-digit delivery facility, whether that facility can handle pallets (including pallet boxes on pallets). If a DDU facility cannot handle pallets, and a mailer transports mail to the DDU facility on pallets, the driver must unload the pallets into a container specified by the delivery unit.

M050 Delivery Sequence

* * * * *

4.0 DOCUMENTATION

[Revise 4.1 and 4.2 to read as follows:]

4.1 General

The mailer must provide documentation as described below to substantiate compliance with the standards for carrier sequencing. Unless the documentation is submitted with the corresponding mailing, the mailer must be able to provide the USPS with documentation of accurate sequencing or delivery statistics for each carrier route to which walk-sequence rate pieces are mailed. The mailer must annotate the postage statement to show the earliest (oldest) date of the method (in 41.a through 4.1e) used to obtain sequencing of delivery stop information for the mailing. For Periodicals the postage statement must be annotated in the ''Sequencing Date'' block on each of the lines where high density and saturation per piece rate postage is reported. For Standard Mail (A) the postage statement must be annotated in the ''Sequencing Date'' block on the front of the postage statement where total postage for Enhanced Carrier Route rates is reported. One or more of these must be submitted:

a. CDS invoice.
b. DSF invoice or DSF documentation.
c. Copies of the delivery unit summaries that served as the mailer's bills for address sequencing service charges.
d. Evidence of receipt of information from postmasters under A930 for simplified address mailings.
e. Date LOT product used.

4.2 High Density

The following documentation must be submitted for high density rate mail:

a. Standard Mail (A) and Periodicals Other than In-County Mail Qualifying Under E230.6.4c. For each carrier route to which high density rate mail is addressed, the mailer must document the total number of addressed pieces to the route. If there are fewer than 125 addressed pieces for a given route, the documentation also must show the number of possible deliveries on the route.

b. Periodicals In-County Mail Qualifying Under E230.6.4c. For each carrier route for which Periodicals In-County high density rates are claimed under the minimum 25% of the total active possible deliveries per carrier route under E230.6.4c, the documentation must show for each carrier route for which the rates are claimed the total number of active possible deliveries and the number and percentage of deliveries to which mailpieces are addressed. The documentation must be listed by 5-digit ZIP Code and, within each, by carrier route. It must be submitted with each applicable mailing.

* * * * *

M070 Mixed Classes

* * * * *

M072 Express Mail and Priority Mail Drop Shipment

1.0 BASIC STANDARDS

1.1 Standards

[Revise 1.1 by adding references to M072 and D071 to read as follows:]

The Express Mail or Priority Mail portion of the shipment must meet the standards in M500 or M100 respectively, and the applicable standards in M072 and D071.

* * * * *

2.0 ADDITIONAL STANDARDS FOR ENCLOSED MAIL

2.5 Standard Mail (B)

[Amend 2.5 to delete the reference to ''Bulk Parcel Post,'' to change the phrase ''bulk Bound Printed Matter'' to ''presorted Bound Printed Matter,'' to add and exception to the zone separation requirement, and to add information on new Parcel Post DSCF and DDU rates to read as follows:]

Presorted Bound Printed Matter paid with meter or permit imprint, or single-piece rate Parcel Post or Bound Printed Matter paid with permit imprint, must be sorted by zone in separate Priority Mail or Express Mail pouches unless presented under a special postage payment system under P710, P720, or P730. If the enclosed mail is not presented under a special postage payment system under P710, P720, or P730, the Priority Mail or Express Mail pouches must be separated into groups by postal zone when presented to the USPS. For Parcel Post mail, the DBMC, DSCF, or DDU entry rate may be claimed subject to E652 and the destination of the Express Mail or Priority Mail sack.

* * * * *

[Revise the title of M073 to read as follows:]

M073 Combined Mailings of Standard Mail (A) and Standard Mail (B) Parcels

[Revise the title of 1.0 to read as follows:]

1.0 COMBINED MACHINABLE PARCELS—RATES OTHER THAN PARCEL POST OBMC PRESORT, BMC PRESORT, DSCF, AND DDU

[Renumber current 1.1 as 1.2, insert new 1.1, and revise section numbers in renumbered 1.2 to read as follows:]

1.1 Qualification

Machinable Standard Mail (A) and machinable Standard Mail (B) parcels may be combined under the sortation and other requirements in 1.0 except when claiming the following Parcel Post rates or discounts: OBMC Presort, BMC Presort, DSCF, and DDU. When claiming the OBMC Presort, BMC Presort, or DSCF rates, machinable Standard Mail (A) and machinable Standard Mail (B) parcels may be combined under the sortation and other requirements in 2.0. Standard Mail (A) parcels must not be combined with Standard Mail (B) parcels prepared for DDU rates.

1.2 Description

Subject to 1.1 and authorization under 1.5, a mailer who is authorized plant load or plant-verified drop shipment privileges may prepare a combined mailing of Standard Mail (A) and Standard Mail (B) machinable parcels that have been merged and sorted together in sacks (under 1.5) or on pallets (under M040) to achieve the finest presort level. The combined mailing must meet the standards in 1.0 and those that apply to the rates claimed. Each parcel in a combined mailing is subject to the applicable Standard Mail rate, based on the corresponding standards. Required volume for bulk or presort rates is based solely on the quantity of pieces eligible for each rate at the required presort level. Pieces claimed at other rates in the same sack or on the same pallet do not count.

[Renumber existing 1.2 and 1.3 as 1.3 and 1.4, respectively.]

[Renumber existing 2.0 as 1.5. Renumber existing 2.1 through 2.3 as 1.5a through 1.5c, respectively.]

[Renumber existing 3.0 as 1.6. Renumber existing 3.1 as 1.6a and existing 3.1a through 3.1d as 1.6a(1) through a(4), respectively. Renumber existing 3.2 as 1.6b and existing 3.2a through 3.2e as 1.6b(1) through 1.6b(5), respectively.]

[Add 2.0 to read as follows:]

2.0 COMBINED PARCELS—PARCEL POST OBMC PRESORT, BMC PRESORT, AND DSCF RATES

2.1 Qualification

a. When claiming Parcel Post OBMC Presort and BMC Presort discounts and DSCF rates, machinable Standard Mail (A) parcels may be combined with machinable Standard Mail (B) parcels under 2.0.

b. When claiming the Parcel Post DSCF rate, machinable and nonmachinable Standard Mail (A) may be combined with machinable and nonmachinable Standard Mail (B) parcels under 2.0.

c. Standard Mail (A) parcels may not be combined with Standard Mail (B) parcels prepared for DDU rates.

2.2 Authorization

Mailers must be authorized under 1.5 to prepare mailings that combine Standard Mail (A) and Standard Mail (B) parcels.

2.3 Postage Payment

Postage for all pieces must be paid with permit imprint at the post office serving the mailer's plant under an approved manifest mailing system under P710. The applicable agreement must include procedures for combined mailings approved by the RCSC.

2.4 Preparation and Rates

a. Minimum Mailing Volume. Separate minimum mailing volume requirements must be met for Standard Mail (A) parcels and for Standard Mail (B) parcels.

b. Parcel Post Qualifying for DSCF Rates. The combined mailings must be prepared under the applicable 5-digit sack requirements in M630, or the applicable 5-digit pallet requirements in M040 for the Parcel Post DSCF rates. All other requirements for the Parcel Post DSCF rates and the Presorted Standard Mail (A) rates, as applicable, must be met. The following additional requirements apply:

(1) If sacked under M630, the minimum requirement of 7 pieces per sack must be met with only Standard Mail (B) parcels. After the minimum sack volume has been met, Standard Mail (A) parcels may be included in the sack or in overflow sacks.

(2) If palletized under the option to prepare 5-digit pallets when there are at least 50 pieces and 250 pounds per pallet, this pallet minimum must be met with only Standard Mail (B) parcels. After the minimum pallet volume has been met, Standard Mail (A) parcels may be included on the pallet or in overflow sacks.

(3) If palletized under the alternate pallet preparation where no pallet may contain fewer than 35 pieces and 200 pounds provided the average number of pieces on pallets qualifying for the DSCF rate is at least 50, Standard Mail (A) parcels may not be combined with Standard Mail (B) parcels.

(4) If palletized under the option to prepare 5-digit pallets under the 36-inch high (mail only) pallet minimum, any combination of Standard Mail (A) and Standard Mail (B) parcels may be used to meet the minimum pallet height requirement.

(5) Line 2 of 5-digit pallet and sack labels must read: ''STD A/B 5D.''

(6) Standard Mail (A) parcels are eligible for the Presorted 3/5 rate.

c. Parcel Post Qualifying for OBMC Presort or BMC Presort rates. The combined mailings must be prepared under the M040 BMC pallet requirements for machinable parcels at Parcel Post OBMC Presort or BMC Presort rates. All other requirements for the Parcel Post OBMC Presort or BMC Presort rates and the Presorted Standard Mail (A) rates must be met. The following additional requirements apply:

(1) The minimum height requirement for each pallet or pallet box on a pallet may be met using any combination of Standard Mail (A) and Standard Mail (B) parcels.

(2) Line 2 of BMC pallet box labels must read: ''STD A/B MACH BMC.''

(3) Standard Mail (A) parcels are eligible for the Presorted 3/5 rate only if it can be shown by documentation that there was insufficient volume of Standard Mail (A) parcels in the mailing to prepare separate 5-digit pallets required for Standard Mail (A) machinable parcels under M045. Otherwise, Presorted basic rates apply to the Standard Mail (A) parcels.

2.5 Documentation

Presort documentation is required as applicable for each rate claimed if the manifest does not list pieces in presort order. Separate postage statements must be prepared for the Standard Mail (A) and Standard Mail (B) pieces. Within each group, combined forms may be prepared where the standards and the forms permit. All postage statements must be provided at the time of mailing.

* * * * *

M120 Priority Mail

* * * * *

[Delete 2.0.]

M130 Presorted First-Class Mail

* * * * *

[Revise the title of 2.0 to read as follows:]

2.0 REQUIRED PREPARATION—LETTER-AND CARD-SIZE PIECES

* * * * *

[Revise the title of 3.0 to read as follows:]

3.0 OPTIONAL UPGRADABLE PREPARATION—LETTER-AND CARD-SIZE PIECES

* * * * *

5.0 PARCELS

5.1 Standards

[Revise 5.1 to reflect the new 13-ounce weight limit for First-Class Mail to read as follows:]

First-Class parcels weighing 13 ounces or less, except Priority Mail, must be prepared under the standards below. All Priority Mail, including any First-Class parcel weighing more than 13 ounces must be must be prepared under the applicable standards in M120.

* * * * *

M200 Periodicals (Nonautomation)

1.0 BASIC STANDARDS

* * * * *

[Delete 1.6.]

* * * * *

3.0 SACK PREPARATION (FLAT-SIZE PIECES AND IRREGULAR PARCELS)

3.1 Sack Preparation

[Revise 3.1d and 3.1e to read as follows:]

Sack size, preparation sequence, and Line 1 labeling:

* * * * *

d. 3-digit: required at 24 pieces, optional with one six-piece package minimum except under 1.5; for Line 1, use L002, Column A.

e. SCF: required at 24 pieces (no minimum for required origin/optional entry SCF), optional with one six-piece package minimum except under 1.5; for Line 1, use L002, Column C.

* * * * *

M600 Standard Mail (Nonautomation)

[Amend the title of M610. Delete 610.1.0 and renumber 610.2.0 through 610.7.0 as 610.1.0 through 610.6.0, respectively. Make other revisions as shown below for clarity and to change ''nonautomation'' rate to ''Presorted Standard'' rate and change ''Bulk Rate'' to ''Presorted Standard.'']

M610 Presorted Standard Mail (A)

1.0 BASIC STANDARDS

1.1 All Mailings

All mailings at Presorted Standard rates (3/5 and basic) are subject to specific preparation standards in 2.0 through 6.0 and to these general standards (automation rate mail must be prepared under M810 or M820, as applicable):

a. Each mailing must meet the applicable standards in E620 and in M010, M020, and M030.

* * * * *

e. Subject to M012, all pieces eligible for and claimed at Nonprofit Presorted Standard rates must be marked ''Nonprofit Organization'' (or ''Nonprofit Org.'' or ''Nonprofit''). Regular Presorted Standard pieces must be marked ''Presorted Standard'' (or ''PRSRT STD'') or, until January 10, 2001, ''Bulk Rate'' (or ''Blk. Rt.''). Pieces mailed at Nonprofit or Regular Presorted Standard rates must not bear ''ECRWSS,'' ''ECRWSH,'' ''ECRLOT,'' ''AUTO,'' ''AUTOCR,'' ''Single-Piece'' or ''SNGLP'' markings.

* * * * *

1.3 Exception—Standard Mail (A)

When the size of the pieces in a Standard Mail (A) mailing job allows them to qualify for preparation as either letters or automation flats and when part of the job is prepared as palletized automation flats, the remainder of the job may be prepared as palletized flats at Enhanced Carrier Route nonletter rates and Presorted nonletter rates if the number of Presorted rate pieces does not exceed 10% of the total number of pieces in the entire mailing job. Presorted rate pieces in the mailing job that exceed the 10% limit and therefore may not be palletized as flats must be prepared in trays as letter mail and must be paid for at the letter rates. A separate 200-piece minimum volume requirement must be met for the trayed letter mailing to qualify for Standard Mail (A) rates.

1.4 Processing Instructions

[Change the phrase ''nonautomation rate'' to ''Presorted rate'' to read as follows:]

If a mailer prefers that the USPS not upgrade (automate) letter-size or card-size pieces presented at a Presorted rate, the mailer must identify each tray of such mail with a facing slip or other device marked ''DO NOT AUTOMATE'' and (for letter-size mail) a tray label on which Line 2 includes ''Non-OCR.''

[Revise the title of 2.0 to read as follows:]

2.0 LETTER-SIZE PIECES—REQUIRED PREPARATION

* * * * *

[Revise the title of 3.0 to read as follows:]

3.0 LETTER-SIZE PIECES—OPTIONAL UPGRADABLE PREPARATION

* * * * *

6.0 BEDLOADED BUNDLES OF FLAT-SIZE PIECES

6.1 Authorization

[In the first sentence of 6.1, change ''nonautomation rate'' to ''Presorted rate.'']

The RCSC manager serving the post office where the mailing is to be made may authorize preparation of Presorted rate Standard Mail (A) in bundles that are outside sacks if this preparation benefits the USPS. * * *

* * * * *

M620 Enhanced Carrier Route Standard Mail

1.0 BASIC STANDARDS

1.1 All Mailings

[Revise 1.1a and 1.1e to read as follows:]

All nonautomation rate Enhanced Carrier Route mailings are subject to these general standards (automation rate Enhanced Carrier Route mailings must be prepared under M810):

a. Each mailing must meet the applicable standards in E620 and in M010, M020, and M030.

* * * * *

e. Subject to M012, all pieces eligible for and claimed at Nonprofit rates must be marked ''Nonprofit Organization'' (or ''Nonprofit Org.'' or ''Nonprofit''); all other pieces must be marked ''Presorted Standard'' (or ''PRSRT STD''), or, until January 10, 2001, ''Bulk Rate'' (or ''Blk. Rt.''). In addition, basic, high-density, and saturation rate pieces must each be marked ''ECRLOT,'' ''ECRWSH,'' or ''ECRWSS,'' respectively. Pieces not claimed at the corresponding nonautomation Enhanced Carrier Route rate must not be marked ''ECRLOT,'' ''ECRWSH,'' or ''ECRWSS.''

* * * * *

1.4 Exception—Standard Mail (A)

[In 1.4, change the phrase ''nonletter nonautomation rates'' to ''Presorted rates,'' and make further clarifications to read as follows:]

When the size of the pieces in a Standard Mail (A) mailing job allows them to qualify for preparation as either letters or automation flats and when part of the job is prepared as palletized

automation flats, the remainder may be prepared as palletized flats at Enhanced Carrier Route nonletter rates and Presorted nonletter rates if the number of Presorted rate pieces does not exceed 10% of the total number of pieces in the entire mailing job. Presorted rate pieces in the mailing job that exceed the 10% limit and therefore may not be palletized as flats must be prepared in trays as letter mail and must be paid for at the applicable letter rates. A separate 200-piece minimum volume requirement must be met for the trayed letter mailing to qualify for Standard Mail (A) rates.

* * * * *

5.0 RESIDUAL PIECES

Pieces not sorted under 2.0 and either 3.0 or 4.0 must be prepared as a separate mailing at Standard Mail (A) automation or Presorted rates, or at single-piece First-Class or Priority Mail rates, as appropriate.

* * * * *

M630 Standard Mail (B)

[Amend 1.0 to add preparation requirements in 1.3–1.6 for new destination entry Parcel Post rates, introduce new drop ship markings, eliminate the ''Catalog'' marking, and make other marking changes to read as follows:]

1.0 PARCEL POST

1.1 Marking

[Amend 1.1 to provide for identifying Parcel Post pieces as follows:]

Each piece mailed at the DBMC, DSCF, or DDU Parcel Post rates must be marked ''Parcel Post'' or ''PP'' and ''Drop Ship'' or ''D/S'' under M012. An exception is that until January 10, 2000, DBMC rate mail may be marked ''DBMC Parcel Post'' or ''DBMC PP.'' All other Parcel Post rate pieces may bear the ''Parcel Post'' or ''PP'' markings, and effective January 10, 2000, must bear the ''Parcel Post'' or ''PP'' marking under M012. Pieces not marked with the appropriate drop shipment marking as required are treated as single-piece rate Parcel Post and are subject to additional postage as necessary.

1.2 Separation

[Amend 1.2 to add requirements for the DSCF and DDU rate categories as follows:]

Parcel Post pieces must be separated by zones when presented for acceptance unless either the correct postage is affixed to each piece or the mailing is prepared under 8.0, or presented under a special postage payment system under P710, P720, or P730. If sacks prepared under 1.5 are included in the same mailing as pallets prepared under M045, at the time of acceptance the mailer must separate sacks that are overflow from palletized mail from those sacks that were prepared under the provisions of 1.5.

1.3 Documentation

[Amend 1.3 to read as follows:]

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each bulk mailing (a mailing that includes pieces qualifying for rates that require a 50-piece minimum volume requirement). When presented for acceptance, documentation of postage by entry office and presort level (e.g.,. by BMC for DBMC, OBMC Presort and BMC Presort mail and by 5-digit ZIP Code for DSCF and DDU rates) is required under P710, P720, or P730. Except for DSCF rate mail palletized under the alternate preparation option that requires separate documentation, documentation is not required when the correct rate is affixed to each piece, or when each piece is of identical weight and the pieces are separated by zone and within each zone are grouped by pieces subject to the same combination of rates. DSCF rate mail palletized under the alternate preparation option in M045 must submit the detailed documentation required in M045.

[Add 1.4 for DSCF mailings as follows:]

1.4 DSCF Rate

To qualify for the DSCF rate, pieces for the same SCF area (L002, Column C or L005) must be sorted to 5-digit ZIP Code destinations either in sacks under 1.5 or directly on pallets or in pallet boxes on pallets under M041 and M045. Pieces must be part of a mailing of at least 50 Parcel Post pieces. They must be entered at the designated SCF facility under L005 that serves the 5-digit ZIP Code destinations of the pieces except when palletized and entry is required at a BMC (see Exhibit E652.5.0). The DSCF rate is not available for palletized mail for facilities that are unable to handle palletized mailings. Refer to the Drop Shipment Product available from the National Customer Support Center (NCSC) (see G043) and Exhibit E652.6.0 and Exhibit E652.7.0 to determine if the facility serving the 5-digit destination can handle pallets. There is a charge for the Drop Shipment Product.

[Add 1.5 to describe sacking requirements for DSCF mailings as follows:]

1.5 DSCF Sack Preparation

Sacking requirements for DSCF rates are as follows:

a. Only 5-digit sacks are permitted.

b. Each 5-digit sack must contain a minimum of 7 pieces (smaller volume not permitted). Machinable and nonmachinable pieces may be combined in the same sack to meet this requirement. One overflow sack per 5-digit ZIP Code is permitted (no piece minimum).

c. Sack Line 1 labeling: use city, state, and 5-digit ZIP Code destination of pieces, preceded for military mail by the prefixes under M031.

d. Sack Line 2: ''STD B 5D.''

e. See M045 for option to place 5-digit DSCF sacks on an SCF pallet.

[Add 1.6 to describe preparation for DDU rate mailings as follows:]

1.6 DDU Rate

The requirements for the DDU rate are as follows:

a. For the DDU rate, pieces must be part of a mailing of at least 50 Parcel Post pieces.

b. The pieces must be entered by the mailer at the postal facility where the carrier delivers the parcels (delivery unit) as defined in E652.

c. There are no minimum sacking or pallet preparation standards. DDU rate mailings may be bedloaded, sacked, placed directly on pallets or in pallet boxes on pallets. Machinable and nonmachinable pieces may be combined in the same sack or on the same pallet (including pallet boxes on pallets).

d. If the delivery unit serves more than one 5-digit ZIP Code, the pieces must be separated by 5-digit ZIP Code when unloaded. Refer to the Drop Shipment Product available from the National Customer Support Center (see G043) and Exhibits E652.6.0 and E652.7.0 to determine the location of the delivery unit, whether it serves more than one 5-digit ZIP Code, and whether it can handle pallets. There is a charge for the Drop Shipment Product.

e. If mail is sacked it must be labeled as follows.

Line 1: City, state, and 5-digit ZIP Code destination, preceded for military mail by the prefixes under M031.

Line 2: ''STD B 5D.''

2.0 BOUND PRINTED MATTER

* * * * *

2.3 Marking

[Revise 2.3 to provide for using new Bound Printed Matter markings as follows:]

Each piece claimed at single-piece Bound Printed Matter rates must be marked ''Bound Printed Matter'' under M012. Each piece claimed at presorted Bound Printed Matter rates must be marked ''Bound Printed Matter'' and

either ''Presorted'' (or ''PRSRT'') or ''Presorted Standard'' (or ''PRSRT STD'') under M012. Pieces not marked as required are treated as single-piece rate Parcel Post, subject to additional postage as necessary.

[Delete 2.4. Renumber existing 2.5 through 2.7 as 2.4 through 2.6, respectively.]

3.0 CARRIER ROUTE BOUND PRINTED MATTER

* * * * *

3.2 Marking

[Revise 3.2 to eliminate the markings ''Blk. Rt.'' and ''CATALOG'' as follows:]

Each piece claimed at carrier route Bound Printed Matter rates must be marked ''Bound Printed Matter'' and ''Carrier Route Presort'' (or ''Bound Printed Matter'' and ''CAR–RT SORT'') under M012. The mailer also may opt to include the marking ''Presorted'' (or ''PRSRT'') or ''Presorted Standard'' (or ''PRSRT STD'') with the above required markings under M012. Residual pieces in a carrier route Bound Printed Matter mailing may have the ''Carrier Route Presort'' or ''CAR–RT SORT'' marking if the number of residual pieces to any single 5-digit ZIP Code area does not exceed 5% of the total qualifying carrier route rate pieces addressed to that 5-digit area. The residual pieces must be separated from the qualifying pieces when presented to the USPS. Pieces not marked as required are treated as single-piece rate Parcel Post and subject to additional postage as necessary.

* * * * *

3.7 Residual Pieces

[Amend the third sentence of 3.7 by replacing the phrase ''bulk Bound Printed Matter'' with ''presorted Bound Printed Matter.'']

4.0 SPECIAL STANDARD MAIL

* * * * *

4.2 Marking

[Revise 4.2 to add the marking ''PRSRT'' as follows:]

Each piece claimed at Special Standard Mail rates must be marked ''Special Standard Mail'' or ''SPEC STD'' under M012. Each piece claimed at presorted Special Standard Mail rates also must be marked ''Presorted'' or ''PRSRT'' under M012. Pieces not marked as required are treated as single-piece Parcel Post, subject to additional postage as necessary.

* * * * *

5.0 LIBRARY MAIL

* * * * *

5.2 Marking

[Revise 5.2 to add a reference to M012 to read as follows:]

Each piece of Library Mail must be marked ''Library Rate'' or ''Library Mail'' under M012. Pieces not marked as required are treated as single-piece Parcel Post, subject to additional postage as necessary.

* * * * *

M800 All Automation Mail

M810 Letter-Size Mail

1.0 BASIC STANDARDS

* * * * *

[Amend 1.2 to delete the reference to 3/5 rates and to include information on mail qualifying for carrier route automation rates. Amend 1.2 and 1.3 to move information about postage statements and documentation from 1.2 to 1.3.]

1.2 Mailings

The requirements for mailings are as follows:

a. General. All pieces in a mailing must meet the standards in C810 and must be sorted together to the finest extent required. The definitions of a mailing and permissible combinations are in M011.

b. First-Class. A single automation rate First-Class mailing may include pieces prepared at carrier route, 5-digit, 3-digit, and basic automation rates.

c. Periodicals. A single automation rate Periodicals mailing may include pieces prepared at 5-digit, 3-digit, and basic automation rates.

d. Standard Mail (A). Pieces prepared to qualify for carrier route automation rates must be prepared as a separate mailing (meet a separate minimum volume requirement) from pieces prepared to qualify for 5-digit, 3-digit, and basic automation rates.

1.3 Documentation

A complete, signed postage statement, using the correct USPS form or an approved facsimile, must accompany each mailing and must be supported by documentation produced by PAVE-certified (or, except for Periodicals, MAC-certified) software or by standardized documentation under P012. Mailers may use a single postage statement and a single documentation report for all rate levels in a single mailing. Standard Mail (A) mailers may use a single postage statement and a single documentation report for both an automation carrier route mailing and a mailing containing pieces prepared at 5-digit, 3-digit, and basic automation rates as applicable, submitted for entry at the same time. Documentation of postage is not required if the correct rate is affixed to each piece or if each piece is of identical weight and the pieces are separated by rate when presented for acceptance. Combined mailings of Periodicals publications also must be documented under M200.

* * * * *

3.0 PERIODICALS

3.1 Tray Preparation

[Amend 3.1a to read as follows:]

Tray size, preparation sequence, and Line 1 labeling:

a. 5-digit/scheme: optional, but 5-digit trays required for rate eligibility (150-piece minimum); overflow allowed; for Line 1, for 5-digit trays, use 5-digit ZIP Code destination of pieces, preceded for military mail by the prefixes under M031; for Line 1, for optional 5-digit scheme trays, use destination shown in the current City State File.

* * * * *

M820 Flat-Size Mail

1.0 BASIC STANDARDS

* * * * *

[Amend 1.2 to add a reference to 5-digit and 3-digit rates. Amend 1.2 and 1.3 to move information about postage statements and documentation from 1.2 to 1.3.]

1.2 Mailings

All pieces in a mailing must meet the standards in C820 and must be sorted together to the finest extent required. First-Class Mail and Standard Mail (A) mailings may include pieces prepared at automation 3/5 and basic rates, as applicable. Periodicals mailings may include pieces prepared at automation 5-digit, 3-digit, and basic rates, as applicable. The definitions of a mailing and permissible combinations are in M011.

1.3 Documentation

[Insert the following after the first sentence in 1.3:]

* * * Mailers may use a single postage statement and a single documentation report for all rate levels in a single mailing. * * *

* * * * *

3.0 PERIODICALS

* * * * *

3.2 Sack Preparation

[Revise 3.2b and 3.2c to read as follows:]

Sack size, preparation sequence, and Line 1 labeling:

* * * * *

b. 3-digit: required at 24 pieces; optional with one six-piece package

minimum except under 1.7; for Line 1, use L002, Column A.

c. SCF: required at 24 pieces (no minimum for required origin/optional entry SCF); optional with one six-piece package minimum except under 1.7; for Line 1, use L002, Column C.

* * * * *

P Postage and Payment Methods

P000 Basic Information

P010 General Standards

P011 Payment

1.0 PREPAYMENT AND POSTAGE DUE

1.1 Prepayment Conditions

[Revise 1.1e to read as follows:]

The mailer is responsible for proper payment of postage. Postage on all mail must be fully prepaid at the time of mailing, except as specifically provided by standard for:

* * * * *

e. Keys and identification devices returned to owners (see E120 and E130).

* * * * *

1.5 Shortpaid Mail-Basic Standards

[Amend the first sentence of 1.5 by removing ''and nonstandard single-piece Standard Mail (A)'' to read as follows:]

Mail of any class, including mail indicating special services (except Express Mail, registered mail, and nonstandard First-Class Mail), which is received at either the office of mailing or office of address without enough postage is marked to show the total deficiency of postage and fees. * * *

* * * * *

1.8 Shortpaid Nonstandard Mail

[Amend 1.8 by removing ''nonstandard Single-Piece Standard Mail'' to read as follows:]

Shortpaid nonstandard First-Class Mail is returned to the sender.

* * * * *

2.0 MAILABLE MATTER IN OR ON PRIVATE MAIL RECEPTACLES

* * * * *

2.3 Partial Distribution

[Amend 2.3 to reflect elimination of single-piece Standard Mail (A) rates to read as follows:]

If there is a distribution of pieces to some, but not all, addresses on a route, pieces are returned to the delivery unit for use in computing the postage due. First-Class Mail rates are applied to matter that would require First-Class Mail postage if mailed. For other matter, if the piece weighs less than 16 ounces, the applicable single-piece First-Class Mail or Priority Mail rate based on the weight of the piece is applied, or an applicable Standard Mail (B) rate is applied, whichever is lower. If the piece weighs 16 ounces or more, the Standard Mail (B) rate is applied.

* * * * *

P012 Documentation

* * * * *

2.0 STANDARDIZED DOCUMENTATION (FIRST-CLASS MAIL, PERIODICALS, AND STANDARD MAIL (A)

* * * * *

2.3 Rate Level Column Headings

[Amend 2.3a and 2.3b to reflect the new separate 5-digit and 3-digit presort rate categories for Periodicals mail as follows:]

The actual name of the rate level (or corresponding abbreviation) is used for column headings required by 2.2 and shown below:

a. Automation First-Class Mail, Periodicals, and Standard Mail (A):

Rate	Abbreviation
Carrier Route [First-Class Mail letters/cards].	CB
5-Digit [First-Class Mail letters/cards, Periodicals letters and flats, and Standard Mail letters].	5B
3-Digit [First-Class Mail letters/cards, Periodicals letters and flats, and Standard Mail letters].	3B
3/5[First-Class Mail and Standard Mail flats].	3/5B
Basic [letters/cards and flats]	BB

b. Presorted First-Class Mail, nonautomation presorted Periodicals, and Standard Mail (A):

Rate	Abbreviation
Presorted [First-Class Mail letters/cards, flats, and parcels].	Presort
5-Digit [Periodicals letters, flats, and parcels].	5D
3-Digit [Periodicals letters, flats, and parcels].	3D
3/5 [Standard Mail letters, flats, and parcels].	3/5
Basic [letters/cards and flats]	BS

* * * * *

2.4 Sortation Level

[Amend 2.4 by deleting row ''Unique 3-Digit [Periodicals]'' and ''3DGU'' and by revising the SCF sortation level to read as follows:]

The actual sortation level (or corresponding abbreviation) is used for the package, tray, sack, or pallet levels required by 2.2 and shown below:

Sortation level	Abbreviation
* * *	* *
SCF [pallets, Periodicals flats, Bound Printed Matter].	n/a
* * *	* *

* * * * *

P013 Rate Application and Computation

1.0 BASIC STANDARDS

* * * * *

1.4 Affixing Postage—Single-Piece Rate Mailings

[Amend the first sentence of 1.4 by removing ''or Standard Mail (A)'' to read as follows:]

In a postage-affixed single-piece rate Express Mail, First-Class Mail, or Priority Mail mailing, or in any postage-affixed Standard Mail (B) mailing, the mailer must affix to each piece a value in adhesive stamps, precanceled stamps, or meter impressions equal to at least the postage required for the piece. * * *

* * * * *

2.0 RATE APPLICATION—EXPRESS MAIL, FIRST-CLASS MAIL, AND PRIORITY MAIL

* * * * *

[Insert new 2.6 to read as follows:]

2.6 Keys and Identification Devices

Keys and identification devices weighing 13 ounces or less are charged the First-Class Mail rates per ounce or fraction thereof in accordance with 2.3, plus a $0.30 fee. Keys and identification devices weighing more than 13 ounces but no more than 2 pounds are mailed at the 2-pound Priority Mail rate in accordance with 2.4, plus a $0.30 fee.

* * * * *

4.0 RATE APPLICATION—STANDARD MAIL (A)

[Remove 4.1 and 4.2 and redesignate current 4.3 as the text of 4.0. Amend 4.0 to revise the breakpoints as follows:]

Standard Mail (A) rates are based on the weight of the pieces and are applied differently to pieces weighing less than or equal to a ''breakpoint'' (rounded to four decimal places) and those weighing more, as follows:

a. The appropriate minimum per-piece rate applies to Enhanced Carrier Route rate pieces weighing 0.2066 pound (3.3062 ounces) or less; Regular Presorted and automation rate pieces weighing 0.2068 pound (3.3087 ounces)

or less; Nonprofit Enhanced Carrier Route rate pieces weighing 0.2069 pound (3.3103 ounces) or less; and Nonprofit Presorted and automation rate pieces weighing 0.2055 pound (3.2873 ounces) or less.

b. A rate determined by adding the appropriate fixed per-piece charge and the corresponding variable per-pound charge (based on the weight of the piece) applies to pieces weighing more than 0.2066 pound (3.3062 ounces) at Enhanced Carrier Route rates; weighing more than 0.2068 pound (3.3087 ounces) at Regular Presorted and automation rates; weighing more than 0.2069 pound (3.3103 ounces) at Nonprofit Enhanced Carrier Route rates; and weighing more than 0.2055 pound (3.2873 ounces) at Nonprofit Presorted and automation rates.

* * * * *

5.0 RATE APPLICATION—STANDARD MAIL (B)

5.1 Basis

Postage is based on the rate that applies to the weight (postage) increment of each address piece, and where applicable, on the zone to which the piece is addressed.

* * * * *

[Delete current 5.6 and renumber current 5.7 as 5.6. Revise renumbered 5.6 to change the name of the rate from ''bulk'' to ''presorted'' to read as follows:]

5.6 Presorted Bound Printed Matter

The presorted Bound Printed Matter rate has a per-piece charge and a per-pound charge. The minimum postage rate for an addressed piece is one unit of the per-piece charge plus the per-pound charge for an addressed piece weighing 1 pound.

* * * * *

8.0 COMPUTING POSTAGE—STANDARD MAIL (A)

[Remove 8.1 and renumber current 8.2 through 8.5 as 8.1 through 8.4, respectively; no other changes.]

* * * * *

9.0 COMPUTING POSTAGE—STANDARD MAIL (B)

9.1 Mailing Weight

[In 9.1a revise the term ''bulk Bound Printed Matter'' to read ''presorted Bound Printed Matter.'']

[Revise the title of 9.2 to read as follows:]

9.2 Total Postage—Presorted Bound Printed Matter

[In 9.2 revise the term ''bulk Bound Printed Matter'' to read ''presorted Bound Printed Matter.'']

* * * * *

9.4 Computing Affixed Postage—Individual Pieces

[In the first and second sentences of 9.4 revise the term ''bulk Bound Printed Matter'' to read ''presorted Bound Printed Matter.'']

9.5 Permit Imprint

[In the first sentences of 9.5a and 9.5b revise the term ''bulk Bound Printed Matter'' to read ''presorted Bound Printed Matter.'']

P014 Refunds and Exchanges

* * * * *

2.0 POSTAGE AND FEES REFUNDS

* * * * *

2.3 Torn or Defaced Mail

[Amend 2.3 by removing ''Single-Piece Standard Mail'' as follows:]

If First-Class Mail or Standard Mail (B) is torn or defaced during USPS handling so that the addressee or intended delivery point cannot be identified, the sender may receive a postage refund. This applies only when the failure to process and/or deliver is the fault of the USPS. Where possible, the damaged item is returned with the postage refund.

* * * * *

P030 Postage Meters and Meter Stamps

1.0 BASIC INFORMATION

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1.5 Reply Postage

[Revise 1.5 to reflect the new 13-ounce weight limit for First-Class Mail to read as follows:]

Meter stamps may prepay reply postage on Express Mail; Priority Mail when the rate is the same for all zones; First-Class postcards, letters, and flats up to a maximum of 13 ounces; single-piece rate Special Standard Mail; and Library Mail, under the following conditions:

* * * * *

c. Postage on Priority Mail over 13, ounces, single-piece rate Special Standard Mail, or Library Mail may be paid only with meter-stamped address labels.

* * * * *

5.0 MAILINGS

5.1 Notification of Metered Mailings Presented in Bulk

[Amend the names of the rates in the first sentence of 5.1 to read as follows:]

Mailers who want to present Presorted First-Class Mail, Standard Mail (A), Parcel Post in bulk quantities, presorted Bound Printed Matter, Carrier Route Bound Printed Matter, or Presorted Special Standard Mail using metered postage must complete Form 3615. * * *

* * * * *

5.4 Place of Mailing

[Amend 5.4a by removing ''Standard Mail (A)'' to read as follows:]

Except as noted below, metered mail must be deposited at a post office acceptance unit, retail unit, or other location designated by the postmaster of the licensing post office (i.e., the post office shown in the meter stamp) and may not be given to a delivery employee or deposited in a street collection box, mailchute, receiving box, cooperative mailing rack, or other mail collection receptacle. Exceptions to this general standard are listed below.

a. Express Mail, Priority Mail (in a weight category for which rates do not vary by zone), or single-piece rate First-Class Mail, may be deposited in any street collection box or such other place where mail is accepted and that is served by the licensing post office.

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P040 Permit Imprints

* * * * *

4.0 INDICIA Format

4.1 Basic Standard

* * * * *

Exhibit 4.1a Indicia Formats for Mailgram and Official Mail

[Under the heading ''Standard Mail (A) Official Mail,'' delete the first example, in the second example change ''BULK RATE'' to ''PRSRT STD,'' and in the third example change ''BULK RATE AUTOCR'' to ''PRESORTED STANDARD AUTOCR,'' add a new example that reads ''PRSRT STD, AUTO, POSTAGE AND FEES PAID, AGENCY NAME, PERMIT NO. G–999.''] [Under the heading ''Standard Mail (B) Official Mail,'' in the third example change ''BULK RATE BOUND PRINTED MATTER'' to ''PRSRT BOUND PRINTED MATTER.'']

Exhibit 4.1b Indicia Formats for First-Class Mail and Standard Mail

[Under the heading ''Standard Mail (A),'' in the first example change ''BULK

RATE ECRWSS'' to ''PRESORTED STANDARD ECRWSS,'' in the second example change ''BULK RATE AUTOCR'' to ''PRESORTED STANDARD AUTOCR,'' in the third example change ''BLK RT AUTO'' to ''PRSRT STD AUTO,'' in the seventh and eighth examples change ''BULK RATE'' to ''PRESORTED STANDARD,'' delete the ninth example.]

[Under the heading ''Standard Mail (B),'' in the second example delete the word ''BLK RT,'' in the third example change ''BULK PARCEL POST'' to ''PARCEL POST,'' add a fifth example that reads ''PP D/S, U.S. POSTAGE PAID, NEW YORK, NY, PERMIT NO. 1,'' add a sixth example that reads ''PRESORTED BOUND PRINTED MATTER, U.S. POSTAGE PAID, NEW YORK, NY, PERMIT NO. 1.''] * * * * *

P100 First-Class Mail

* * * * *

2.0 SINGLE-PIECE RATE

* * * * *

[Insert new 2.6 to read as follows:]

2.6 Residual Standard Mail (A) Subject to First-Class Rates

Mailers who have pieces weighing 13 ounces or less that do not qualify for Standard Mail (A) rates, but that are prepared as Standard Mail (A), must pay single-piece First-Class Mail postage for such pieces. If mailers do not desire to receive First-Class Mail service for such pieces they may enter the mailpieces ''as is'' (i.e., bearing the Standard Mail (A) markings and endorsements), under the following conditions:

a. Additional markings and/or postage must not be added to these pieces.

b. Mail bearing metered or precanceled stamp postage must pay the difference between the postage affixed at the Standard Mail (A) rates and the single-piece First-Class Mail rates by means of an advance deposit account or by affixing a meter strip for the appropriate amount to Form 3600–P, Postage Statement—(First-Class Mail Postage Affixed. The number of pieces, rate, and any surcharge information must be entered in Part C on the reverse side of Form 3600–P in the space provided under the special heading ''From Standard Mail (A)''.

c. Mail bearing permit imprints must pay the appropriate single-piece First-Class rates by completing Form 3600–R, Postage Statement—(First-Class Mail Permit Imprint. The number of pieces, rate, and any surcharge information must be entered in Part C on the reverse side of Form 3600–R in the space provided under the special heading ''From Standard Mail (A).'' For permit imprint mail there must be at least 200 pieces, except when the pieces are part of a larger mailing job and are submitted for acceptance along with the mail and a Standard Mail (A) postage statement for the other pieces in the same mailing job.

3.0 PRIORITY MAIL RATES

* * * * *

[Insert new 3.4 to read as follows:]

3.4 Residual Standard Mail (A) Subject to Priority Mail Rates

Mailers who have permit imprint pieces weighing over 13 ounces, but less than 16 ounces, that do not qualify for Standard Mail (A) rates, but that are prepared as Standard Mail (A), must pay Priority Mail postage for such pieces. Mailpieces paid with meters or permit imprints must re-envelope or otherwise prepare the pieces so that when mailed they bear only the appropriate Priority Mail markings, ancillary service endorsements, and ACS codes, and do not bear Standard Mail (A) markings, endorsements, or ACS codes. Mailpieces paid with permit imprints for which mailers do not desire to receive Priority Mail service may enter the mailpieces ''as is'' (i.e., bearing the Standard Mail (A) markings and endorsements), under the following conditions:

a. Additional markings and/or postage must not be added to these pieces.

b. The appropriate Priority Mail rates must be paid by completing Form 3600–PM, Postage Statement—Priority Mail Permit Imprint. The pieces must be recorded on this postage statement on the line titled ''Pieces From Standard Mail (A)'' in the postage calculation section. For permit imprint mail there must be at least 200 pieces, except when the pieces are part of a larger mailing job and are submitted for acceptance along with the mail and a Standard Mail (A) postage statement for the other pieces in the same mailing job.

* * * * *

P600 Standard Mail

1.0 BASIC INFORMATION

1.1 Payment Method

[Amend 1.1 to read as follows:]

Standard Mail postage must be paid using one of the following methods:

a. Standard Mail (A). The mailer is responsible for proper postage payment. Postage for Standard Mail (A) must be paid with meters, permit imprints, or precanceled stamps. Postage-affixed pieces must bear the correct postage unless excepted by standard. A permit imprint may be used for mailings that contain nonidentical-weight pieces only if authorized by the RCSC serving the mailing office.

b. Standard Mail (B). The mailer is responsible for proper postage payment. Subject to the corresponding standards, postage for single-piece rate Standard Mail (B) may be paid by any method. Postage for bulk rate (rate has minimum mailing volume requirement) or presort rate Standard Mail (B) must be paid with meters or permit imprints. Postage-affixed pieces must bear the correct postage unless excepted by standard. A permit imprint may be used for mailings that contain nonidentical-weight pieces only under P710, P720, or P730. Permit imprints may be used for identical weight pieces provided that the mail can be separated into groups that each contain pieces subject to the same zone and same combination of rates (e.g., all are zone 4, Inter-BMC, with a BMC Presort discount and a barcode discount). Identical weight permit imprint mail also may be mailed under P710, P720, or P730.

* * * * *

[Delete 1.3.]

[Revise title of 2.0 and clarify the language in 2.1 to read as follows:]

2.0 Standard Mail (A)—Presorted and Enhanced Carrier Route

2.1 Identical-Weight Pieces

Mailings of identical-weight pieces in a Presorted or Enhanced Carrier Route mailing may have postage affixed to each piece at the exact rate for which the piece qualifies, or each piece in the mailing may have postage affixed at the lowest rate applicable to pieces in the mailing or in the mailing job. Alternatively, a nondenominated precanceled stamp may be affixed to every piece in the mailing or mailing job, or each piece may bear a permit imprint. If exact postage is not affixed, all additional postage must be paid at the time of mailing with an advance deposit account or with a meter strip affixed to the required postage statement. If exact postage is not affixed, documentation meeting the standards in P012 must be submitted to substantiate the additional postage unless the pieces are identical weight and separated by rate when presented for acceptance.

* * * * *

[Revise the heading of 3.0 to read as follows:]

3.0 STANDARD MAIL (A)—AUTOMATION RATES

* * * * *

P710 Manifest Mailing System (MMS)

* * * * *

3.0 Keyline

3.1 Letter-Size Mail

* * * * *

Exhibit P710.3.1 Letter-Size Keyline Information

[Amend the postage indicia in the upper right corner of the second (Standard Mail (A))sample mailpiece by replacing ''BULK RATE'' with ''PRSRT STD'' to read as follows:]

PRSRT STD
U.S. POSTAGE PAID
NEW YORK, NY
PERMIT NO. 1

* * * * *

P750 Plant-Verified Drop Shipment (PVDS)

* * * * *

2.0 PROGRAM PARTICIPATION

* * * * *

2.11 Mailer Transport of PVDS

[Revise 2.11 to provide for additional DSCF and DDU rate Parcel Post mailings as follows:]

Using any means of transportation, including Express Mail or Priority Mail drop shipment, the mailer must transport PVDS mailings from the origin plant to the destination postal facility or facilities. The mailer must not transport PVDS mailings on the same vehicle with shipments not entered as PVDS. For Standard Mail PVDS, the mailer must meet the scheduling standards for mail deposit at destination entry postal facilities. If a vehicle contains mail paid at the Parcel Post destination entry rates, the applicable standards for scheduling of deposits and unloading of vehicles apply to any other mail on the same vehicle for the same destination facility. Any material classified as hazardous under C023 may not be carried in the same vehicle as PVDS mailings.

2.12 Separation of PVDS Mailings

[Renumber 2.12d and 2.12e as 2.12e and 2.12f, respectively. Add new 2.12d to provide for separation of Parcel Post at different destination entry rates in the same shipment as follows:]

PVDS mailings must be kept separate:

* * * * *

d. When a vehicle contains a shipment of Standard Mail (B) claiming more than one destination entry discount for deposit at the same postal facility, the mail eligible for each destination entry discount must be physically separated.

* * * * *

5.0 POSTAGE

* * * * *

5.3 Standard Mail (B)

[Revise 5.3 to explain zone-based postage computation as follows:]

Postage for Standard Mail (B) PVDS must be paid with meter stamps or with a permit imprint under the applicable authorization at the post office serving the mailer's location. Postage for DBMC mailings is computed from the BMC parent post office.

* * * * *

P760 First-Class or Standard Mail Mailings with Different Payment Methods

* * * * *

2.0 POSTAGE

* * * * *

2.2 Metered Pieces Standard Mail (A)

[Revise the first sentence of 2.2 to change the term ''nonautomation'' to ''Presorted.'' Delete the last sentence.]

Metered pieces in a combined mailing must bear postage at a Presorted or automation rate for which the pieces are eligible. Additional postage due for metered pieces in a combined mailing is deducted from the mailer's postage due advance deposit account.

* * * * *

2.4 Precanceled Pieces Standard Mail (A)

[Amend 2.4 by deleting the last sentence.]

* * * * *

3.0 PRODUCING THE COMBINED MAILING

* * * * *

3.3 Rejected Pieces

[In 3.3a, change the phrase ''Standard Mail (A) 3/5 presort rate'' to ''3/5 Presorted Standard Mail (A) rate as follows:'']

Pieces rejected for any reason by the mailer's automated sorting system and pulled out of the combined mailing stream must be identified by the mailer, specifically accounted for in documentation, and:

a. If postage-affixed, bear postage or have additional postage affixed to equal a rate no lower than the correct Presorted First-Class rate or 3/5 Presorted Standard Mail (A) rate for letters, as applicable.

* * * * *

[Revise entire R module to read as follows:]

BILLING CODE 7710–12–P

R000 Stamps and Stationery

1.0 PLAIN STAMPED ENVELOPES

Plain stamped envelopes are priced as follows:

Type	Size[1]	Denomination or Value	Quantity and Price: Each (less than 500)	500	1,000
Basic[2]	6-3/4	$0.33	$0.40	$173.50	$347.00
	10	0.33	0.40	176.50	353.00
Hologram	6-3/4	—	—	—	—
	10	0.33	0.41	180.50	361.00
Bulk Rate Regular	6-3/4	0.10	—	58.50	117.00
	10	0.10	—	61.50	123.00
Nonprofit Regular & Window	6-3/4	0.05	—	33.50	67.00
	10	0.05	—	36.50	73.00

1 Size 10 includes all intermediate sizes through 10.
2 Basic includes all types of envelopes other than those specifically listed.

2.0 PERSONALIZED STAMPED ENVELOPES

Personalized stamped envelopes are priced as follows:

Type	Size[1]	Denomination or Value	Quantity and Price: 50	500	1,000
Basic[2]	6-3/4	$0.33	$19.50	$179.00	$358.00
	10	0.33	19.75	180.00	360.00
Hologram	6-3/4	—	—	—	—
	10	0.33	20.00	184.00	368.00
Bulk Rate Regular	6-3/4	0.10	—	64.00	128.00
	10	0.10	—	65.00	130.00
Nonprofit Regular & Window	6-3/4	0.05	—	39.00	78.00
	10	0.05	—	40.00	80.00

1 Size 10 includes all intermediate sizes through 10.
2 Basic includes all types of envelopes other than those specifically listed.

3.0 STAMPED CARDS

Stamped cards are priced as follows:

Configuration	Postage	Fee	Total Price
Cut single card	$0.20	$0.01	$0.21
Sheet of 40 cards	8.00	0.40	8.40
Double reply-paid card	0.40	0.02	0.42

4.0 POSTAGE STAMPS

Postage stamps are available in the following denominations:

Purpose	Form	Denomination
Regular Postage	Panes of up to 100	$0.01, .02, .03, .04, .05, .10, .15, .20, .22, .23, .25, .28, .29, .30, .32, .33, .40, .45, .46, .50, .52, .55, .60, .75, .77, .78, $1, $2, $3.20, $5, $11.25
	Booklets	$0.20 ($2.00 booklet)
		$0.33 ($3.30, $4.95, and $6.60 booklets)
	Coils of 100	$0.20, .22 (additional ounce postage), .23, .33
	Coils of 500	$0.01, .02, .03, .04, .05, .10, .20, .23, .33, $1
	Coils of 3,000	$0.01, .02, .03, .04, .05, .10, .20, .23, .33
	Coils of 10,000	$0.05, .33
Precanceled Presorted Rate Postage — First-Class Mail and Standard Mail (A)	Coils of 500, 3,000, and 10,000	Various nondenominated (available only to permit holders)
Commemorative	Panes of up to 50	$0.33 and other denominations
	20-Stamp Booklets	$0.33 ($6.60 booklets)

R100 First-Class Mail

1.0 NONAUTOMATION—SINGLE PIECES WEIGHING 13 OUNCES OR LESS

Card Rate
1.1 Single and double cards meeting the standards in C100 and E110:

Type	Rate
Single	$0.200

Letters, Flats, and Parcels
1.2 Letters, flats, and parcels (i.e., not card rate); nonstandard surcharge in 11.0 might apply:

Weight Increment	Rate
First ounce or fraction of an ounce	$0.330
Each additional ounce or fraction of an ounce	0.220

2.0 AUTOMATION—SINGLE PIECES OF QUALIFIED BUSINESS REPLY MAIL

Card Rate
2.1 Single cards meeting the standards in C100, C810, C840, E110, E150, and S922:

Type	Rate[1]
Single	$0.180

1 QBRM is also subject to fees in R900 and the standards in S922.

Letters
2.2 Letter-size pieces other than cards meeting the standards in C810, C840, E150, and S922:

Weight Increment	Rate[1]
First ounce or fraction of an ounce	$0.300
Second ounce or fraction	0.220

1 QBRM is also subject to fees in R900 and the standards in S922.

3.0 NONAUTOMATION—PRESORTED

Card Rate
3.1 Single and double cards meeting the standards in C100 and E110: $0.180 each.

Letters, Flats, and Parcels
3.2 Letters, flats, and parcels (i.e., not card rate); nonstandard surcharge in 11.0 might apply:

Weight Increment	Rate
First ounce or fraction of an ounce	
(For pieces weighing not more than 2 ounces)	$0.305
(For pieces weighing more than 2 ounces)	0.259
Each additional ounce or fraction of an ounce	0.220

4.0 AUTOMATION—BASIC

Card Rate
4.1 Single and double cards meeting the standards in C100 and E110: $0.166 each.

Letters 4.2 Letter-size pieces other than card rate:

Weight Increment	Rate
First ounce or fraction of an ounce	
(For pieces weighing not more than 2 ounces)	$0.270
(For pieces weighing more than 2 ounces)	0.224
Each additional ounce or fraction of an ounce	0.220

Flats 4.3 Flat-size pieces; nonstandard surcharge in 11.0 might apply:

Weight Increment	Rate
First ounce or fraction of an ounce	
(For pieces weighing not more than 2 ounces)	$0.300
(For pieces weighing more than 2 ounces)	0.254
Each additional ounce or fraction of an ounce	0.220

5.0 AUTOMATION—3-DIGIT

Card Rate 5.1 Single and double cards meeting the standards in C100 and E110: $0.159 each.

Letters 5.2 Letter-size pieces other than card rate:

Weight Increment	Rate
First ounce or fraction of an ounce	
(For pieces weighing not more than 2 ounces)	$0.261
(For pieces weighing more than 2 ounces)	0.215
Each additional ounce or fraction of an ounce	0.220

6.0 AUTOMATION—5-DIGIT

Card Rate 6.1 Single and double cards meeting the standards in C100 and E110: $0.146 each.

Letters 6.2 Letter-size pieces other than card rate:

Weight Increment	Rate
First ounce or fraction of an ounce	
(For pieces weighing not more than 2 ounces)	$0.243
(For pieces weighing more than 2 ounces)	0.197
Each additional ounce or fraction of an ounce	0.220

7.0 AUTOMATION—3/5 (FLAT-SIZE PIECES)

Flat-size pieces; nonstandard surcharge in 11.0 might apply:

Weight Increment	Rate
First ounce or fraction of an ounce	
(For pieces weighing not more than 2 ounces)	$0.270
(For pieces weighing more than 2 ounces)	0.224
Each additional ounce or fraction of an ounce	0.220

8.0 AUTOMATION—CARRIER ROUTE

Card Rate
8.1

Single and double cards meeting the standards in C100 and E110: $0.141 each.

Letters
8.2

Letter-size pieces other than card rate:

Weight Increment	Rate
First ounce or fraction of an ounce	
(For pieces weighing not more than 2 ounces)	$0.238
(For pieces weighing more than 2 ounces)	0.192
Each additional ounce or fraction of an ounce	0.220

Summary of First-Class Rates

Letters, Flats, and Parcels Weight Not Over (ounces)	Nonautomation		Automation					
			Letter-Size				Flat-Size	
	Single-Piece	Pre-sorted	Basic	3-Digit	5-Digit	Carrier Route	Basic	3/5
1	$0.33[1]	$0.305[1]	$0.270	$0.261	$0.243	$0.238	$0.300[1]	$0.270[1]
2	0.55	0.525	0.490	0.481	0.463	0.458	0.520	0.490
3[2]	0.77	0.699	0.664	0.655	0.637	0.632	0.694	0.664
4	0.99	0.919	0.884[3]	0.875[3]	0.857[3]	0.852[3]	0.914	0.884
5	1.21	1.139	—	—	—	—	1.134	1.104
6	1.43	1.359	—	—	—	—	1.354	1.324
7	1.65	1.579	—	—	—	—	1.574	1.544
8	1.87	1.799	—	—	—	—	1.794	1.764
9	2.09	2.019	—	—	—	—	2.014	1.984
10	2.31	2.239	—	—	—	—	2.234	2.204
11	2.53	2.459	—	—	—	—	2.454	2.424
12	2.75	2.679	—	—	—	—	2.674	2.644
13	2.97	2.899	—	—	—	—	2.894	2.864
Card Rate[4]								
Single	$0.20	$0.180	$0.166	$0.159	$0.146	$0.141	—	—

1 Nonstandard surcharge in 11.0 might apply: single piece $0.11; presorted $0.05.
2 Presorted and automation rates for pieces weighing over 2 ounces reflect a first-ounce rate that is $0.046 lower than for pieces weighing 2 ounces or less (see 3.0 through 8.0).
3 Weight not to exceed 3.3103 ounces; pieces over 3 ounces subject to additional standards.
4 Single rate applies to a double card when originally mailed; reply half of double postcard must bear postage at applicable rate when returned.

9.0 KEYS AND IDENTIFICATION DEVICES

Weight Not Over (ounces)	Rate[1]
1[2]	$0.63
2	0.85
3	1.07
4	1.29
5	1.51
6	1.73
7	1.95
8	2.17
9	2.39
10	2.61
11	2.83
12	3.05
13	3.27
2 pounds	3.50

1 Includes $0.30 fee.
2 Nonstandard surcharge in 11.0 might apply.

10.0 PRIORITY MAIL

Weight Not Over (pounds)[1]	Zone					
	L, 1, 2, & 3	4	5	6	7	8
1	$3.20	$3.20	$3.20	$3.20	$3.20	$3.20
2[2]	3.20	3.20	3.20	3.20	3.20	3.20
3	4.30	4.30	4.30	4.30	4.30	4.30
4	5.40	5.40	5.40	5.40	5.40	5.40
5	6.50	6.50	6.50	6.50	6.50	6.50
6	6.60	6.90	7.10	7.45	7.70	8.25
7	6.70	7.30	7.70	8.40	8.90	10.00
8	6.80	7.70	8.30	9.35	10.10	11.75
9	6.90	8.10	8.90	10.30	11.30	13.50
10	7.00	8.50	9.50	11.25	12.50	15.25
11	7.20	9.15	10.30	12.20	13.45	16.50
12	7.40	9.80	11.05	13.10	14.45	17.80
13	7.75	10.40	11.80	14.05	15.50	19.10
14	8.10	11.05	12.55	14.95	16.50	20.40
15	8.50	11.70	13.30	15.85	17.50	21.70
16	8.85	12.30	14.00	16.75	18.55	23.00
17	9.20	12.95	14.75	17.70	19.55	24.30
18	9.60	13.60	15.50	18.60	20.60	25.60
19	9.95	14.20	16.25	19.50	21.60	26.95
20	10.35	14.85	17.00	20.40	22.65	28.20
21	10.70	15.50	17.70	21.35	23.65	29.45
22	11.05	16.15	18.45	22.25	24.70	30.65
23	11.45	16.75	19.20	23.15	25.70	31.85
24	11.75	17.40	19.95	24.05	26.70	33.05
25	12.15	18.05	20.70	25.00	27.75	34.35
26	12.55	18.65	21.40	25.90	28.75	35.55
27	12.90	19.30	22.15	26.80	29.80	36.75
28	13.25	19.95	22.90	27.70	30.80	37.95
29	13.65	20.55	23.65	28.60	31.85	39.15
30	14.00	21.20	24.40	29.55	32.85	40.35
31	14.35	21.85	25.10	30.45	33.90	41.55
32	14.75	22.45	25.85	31.35	34.90	42.80
33	15.10	23.10	26.60	32.25	35.95	44.00
34	15.45	23.70	27.35	33.15	36.95	45.20
35	15.80	24.35	28.10	34.10	37.95	46.40
36	16.20	25.00	28.80	35.00	39.00	47.60
37	16.60	25.65	29.55	35.90	40.00	48.80
38	16.90	26.25	30.30	36.85	41.05	50.05
39	17.30	26.90	31.05	37.75	42.05	51.25
40	17.70	27.55	31.80	38.65	43.10	52.45
41	18.00	28.15	32.50	39.55	44.10	53.65
42	18.40	28.80	33.25	40.45	45.15	54.85
43	18.80	29.45	34.00	41.40	46.15	56.10
44	19.15	30.05	34.75	42.30	47.20	57.35
45	19.50	30.70	35.50	43.20	48.20	58.55
46	19.85	31.35	36.20	44.10	49.20	59.75
47	20.25	31.95	36.95	45.05	50.25	60.95
48	20.60	32.60	37.70	45.95	51.25	62.15
49	20.95	33.25	38.45	46.85	52.30	63.35
50	21.35	33.85	39.20	47.75	53.30	64.55
51	21.70	34.50	39.90	48.65	54.25	65.80
52	22.05	35.15	40.65	49.60	55.30	67.00
53	22.45	35.75	41.40	50.50	56.25	68.20
54	22.80	36.40	42.15	51.40	57.25	69.40
55	23.15	37.05	42.90	52.30	58.20	70.60
56	23.55	37.65	43.60	53.25	59.20	71.80
57	23.90	38.30	44.35	54.15	60.20	73.05
58	24.25	38.95	45.10	55.05	61.15	74.25
59	24.65	39.55	45.85	55.95	62.20	75.45
60	25.00	40.20	46.60	56.90	63.15	76.65
61	25.35	40.85	47.30	57.80	64.15	77.90
62	25.75	41.45	48.05	58.70	65.10	79.10
63	26.10	42.10	48.80	59.60	66.10	80.35
64	26.50	42.75	49.55	60.55	67.10	81.55
65	26.85	43.35	50.25	61.45	68.05	82.75
66	27.20	44.00	51.00	62.35	69.10	83.95
67	27.60	44.65	51.75	63.25	70.05	85.15
68	27.95	45.25	52.50	64.15	71.00	86.35
69	28.30	45.90	53.25	65.10	72.05	87.55
70	28.70	46.55	53.95	66.00	73.00	88.80

1 Parcels that weigh less than 15 pounds but measure more than 84 inches in combined length and girth are charged the applicable rate for a 15-pound parcel.

2 The 2-pound rate is charged for matter sent in a flat-rate envelope provided by the USPS, regardless of the actual weight of the piece.

11.0 SURCHARGES

Nonstandard Surcharge
11.1

Surcharge per piece:

a. Single-piece rate: $0.11.

b. Presorted and automation (flat-size) rate: $0.05.

12.0 FEES

Mailing
12.1

Presort fee, per 12-month period, per office of mailing: $100.00.

Address Correction Service
12.2

Charge per notice issued:

a. Manual: $0.50.

b. Automated: $0.20.

Pickup
12.3

Priority Mail only, per occurrence: $8.25. May be combined with Express Mail and Standard Mail (B) Parcel Post pickups.

R200 Periodicals

1.0 REGULAR

Pound Rates
1.1 Per pound or fraction:

a. For the nonadvertising portion: $0.161.

b. For the advertising portion:

Zone	Rate
Delivery Unit	$0.155
SCF	0.178
1 & 2	0.215
3	0.229
4	0.263
5	0.316
6	0.371
7	0.438
8	0.495

Piece Rates
1.2 Per addressed piece:

Presort Level	Nonautomation	Automation[1]	
		Letter-Size	Flat-Size
Basic	$0.294	$0.232	$0.248
3-Digit	0.253	0.206	0.214
5-Digit	0.197	0.162	0.168
Carrier Route	0.122	—	—
High Density	0.103	—	—
Saturation	0.085	—	—

1 Lower maximum weight limits apply: letter-size at 3 ounces (or 3.3103 ounces for heavy letters); flat-size at 16 ounces.

Discounts
1.3 Piece rate discounts:

a. Nonadvertising adjustment for each 1% of nonadvertising content: $0.00059 per piece.

b. Delivery unit zone piece discount for each addressed piece claimed in the pound rate portion at the delivery unit zone rate: $0.013.

c. SCF zone piece discount for each addressed piece claimed in the pound rate portion at the SCF zone rate: $0.007.

2.0 PREFERRED—IN-COUNTY

Pound Rates
2.1 Per pound or fraction:

Zone	Rate
Delivery Unit	$0.107
All Others	0.133

Piece Rates 2.2 Per addressed piece:

Presort Level	Nonautomation	Automation[1] Letter-Size	Automation[1] Flat-Size
Basic	$0.095	$0.033	$0.049
3-Digit	0.088	0.041	0.064
5-Digit	0.080	0.045	0.059
Carrier Route	0.043	—	—
High Density	0.029	—	—
Saturation	0.025	—	—

1 Lower maximum weight limits apply: letter-size at 3 ounces (or 3.3103 ounces for heavy letters); flat-size at 16 ounces.

Discount 2.3 Delivery unit zone piece discount for each addressed piece claimed in the pound rate portion at the delivery unit zone rate: $0.004.

3.0 PREFERRED—NONPROFIT

Pound Rates 3.1 Per pound or fraction:

a. For the nonadvertising portion: $0.156.

b. For the advertising portion:

Zone	Rate
Delivery Unit	$0.155
SCF	0.178
1 & 2	0.215
3	0.229
4	0.263
5	0.316
6	0.371
7	0.438
8	0.495

Piece Rates 3.2 Per addressed piece:

Presort Level	Nonautomation	Automation[1] Letter-Size	Automation[1] Flat-Size
Basic	$0.251	$0.189	$0.205
3-Digit	0.208	0.161	0.184
5-Digit	0.183	0.148	0.162
Carrier Route	0.113	—	—
High Density	0.094	—	—
Saturation	0.076	—	—

1 Lower maximum weight limits apply: letter-size at 3 ounces (or 3.3103 ounces for heavy letters); flat-size at 16 ounces.

Discounts 3.3 Piece rate discounts:

a. Nonadvertising adjustment for each 1% of nonadvertising content: $0.00044 per piece.

b. Delivery unit zone piece discount for each addressed piece claimed in the pound rate portion at the delivery unit zone rate: $0.007.

c. SCF zone piece discount for each addressed piece claimed in the pound rate portion at the SCF zone rate: $0.004.

4.0 PREFERRED—CLASSROOM

Pound Rates
4.1 Per pound or fraction:

a. For the nonadvertising portion: $0.156.

b. For the advertising portion:

Zone	Rate
Delivery Unit	$0.155
SCF	0.178
1 & 2	0.215
3	0.229
4	0.263
5	0.316
6	0.371
7	0.438
8	0.495

Piece Rates
4.2 Per addressed piece:

		Automation[1]	
Presort Level	Nonautomation	Letter-Size	Flat-Size
Basic	$0.251	$0.189	$0.205
3-Digit	0.208	0.161	0.184
5-Digit	0.183	0.148	0.162
Carrier Route	0.113	—	—
High Density	0.094	—	—
Saturation	0.076	—	—

1 Lower maximum weight limits apply: letter-size at 3 ounces (or 3.3103 ounces for heavy letters); flat-size at 16 ounces.

Discounts
4.3 Piece rate discounts:

a. Nonadvertising adjustment for each 1% of nonadvertising content: $0.00044 per piece.

b. Delivery unit zone piece discount for each addressed piece claimed in the pound rate portion at the delivery unit zone rate: $0.007.

c. SCF zone piece discount for each addressed piece claimed in the pound rate portion at the SCF zone rate: $0.004.

5.0 PREFERRED—SCIENCE-OF-AGRICULTURE

Pound Rates
5.1 Per pound or fraction:

a. For the nonadvertising portion: $0.161.

b. For the advertising portion:

Zone	Rate
Delivery Unit	$0.116
SCF	0.133
1 & 2	0.161
3	0.229
4	0.263
5	0.316
6	0.371
7	0.438
8	0.495

Piece Rates
5.2

Per addressed piece:

Presort Level	Nonautomation	Automation[1] Letter-Size	Automation[1] Flat-Size
Basic	$0.294	$0.232	$0.248
3-Digit	0.253	0.206	0.214
5-Digit	0.197	0.162	0.168
Carrier Route	0.122	—	—
High Density	0.103	—	—
Saturation	0.085	—	—

1 Lower maximum weight limits apply: letter-size at 3 ounces (or 3.3103 ounces for heavy letters); flat-size at 16 ounces.

Discounts
5.3

Piece rate discounts:

a. Nonadvertising adjustment for each 1% of nonadvertising content: $0.00059 per piece.

b. Delivery unit zone piece discount for each addressed piece claimed in the pound rate portion at the delivery unit zone rate: $0.013.

c. SCF zone piece discount for each addressed piece claimed in the pound rate portion at the SCF zone rate: $0.007.

6.0 FEES

Application
6.1

Fees as appropriate, per application:

a. Original entry: $305.00.

b. News agent registry: $50.00.

c. Additional entry: $50.00.

d. Reentry: $50.00.

Address Correction Service
6.2

Charge per notice issued:

a. Manual: $0.50.

b. Automated: $0.20.

R500 Express Mail

1.0 EXPRESS MAIL—ALL SERVICE LEVELS

Weight Not Over (pounds)	Service				Weight Not Over (pounds)	Service			
	Same[1] Day Airport	Custom Designed	Next Day & Second Day PO to PO	Next Day & Second Day PO to Addressee		Same[1] Day Airport	Custom Designed	Next Day & Second Day PO to PO	Next Day & Second Day PO to Addressee
1/2		$9.55	$9.70	$11.75	36		65.25	65.40	67.45
1		13.55	13.70	15.75	37		66.45	66.60	68.65
2[2]		13.55	13.70	15.75	38		67.80	67.95	70.00
3		16.30	16.45	18.50	39		69.05	69.20	71.25
4		19.05	19.20	21.25	40		70.30	70.45	72.50
5		21.80	21.95	24.00	41		71.55	71.70	73.75
6		24.55	24.70	26.75	42		72.90	73.05	75.10
7		27.20	27.35	29.40	43		74.15	74.30	76.35
8		28.40	28.55	30.60	44		75.45	75.60	77.65
9		29.60	29.75	31.80	45		76.75	76.90	78.95
10		30.80	30.95	33.00	46		77.95	78.10	80.15
11		32.25	32.40	34.45	47		79.30	79.45	81.50
12		34.60	34.75	36.80	48		80.55	80.70	82.75
13		35.85	36.00	38.05	49		81.80	81.95	84.00
14		37.20	37.35	39.40	50		83.05	83.20	85.25
15		38.40	38.55	40.60	51		84.40	84.55	86.60
16		39.70	39.85	41.90	52		85.60	85.75	87.80
17		41.05	41.20	43.25	53		86.95	87.10	89.15
18		42.25	42.40	44.45	54		88.20	88.35	90.40
19		43.55	43.70	45.75	55		89.45	89.60	91.65
20		44.85	45.00	47.05	56		90.80	90.95	93.00
21		46.10	46.25	48.30	57		92.00	92.15	94.20
22		47.35	47.50	49.55	58		93.30	93.45	95.50
23		48.70	48.85	50.90	59		94.70	94.85	96.90
24		49.90	50.05	52.10	60		96.20	96.35	98.40
25		51.20	51.35	53.40	61		97.80	97.95	100.00
26		52.45	52.60	54.65	62		99.30	99.45	101.50
27		53.75	53.90	55.95	63		100.80	100.95	103.00
28		55.00	55.15	57.20	64		102.40	102.55	104.60
29		56.30	56.45	58.50	65		103.90	104.05	106.10
30		57.60	57.75	59.80	66		105.50	105.65	107.70
31		58.85	59.00	61.05	67		107.00	107.15	109.20
32		60.15	60.30	62.35	68		108.60	108.75	110.80
33		61.40	61.55	63.60	69		110.10	110.25	112.30
34		62.70	62.85	64.90	70		111.60	111.75	113.80
35		63.95	64.10	66.15					

1 Same Day Airport service is currently suspended.

2 The 2-pound rate is charged for matter sent in a flat-rate envelope provided by the USPS, regardless of the actual weight of the piece.

2.0	**FEES**
Address Correction Service 2.1	Charge per notice issued: a. Manual: $0.50. b. Automated: $0.20.
Pickup 2.2	Per occurrence: $8.25. May be combined with Priority Mail and Standard Mail (B) Parcel Post pickups.
Delivery Stops 2.3	Custom Designed Service only, each: $8.25.

R600 Standard Mail

1.0 REGULAR STANDARD MAIL (A)

Letter-Size Minimum Per-Piece Rates
1.1

Pieces 0.2068 pound (3.3087 ounces) or less:

	Presorted		Automation[1]		
Entry Discount	**Basic**	**3/5**	**Basic**	**3-Digit**	**5-Digit**
None	$0.235	$0.207	$0.183	$0.176	$0.160
DBMC	0.219	0.191	0.167	0.160	0.144
DSCF	0.214	0.186	0.162	0.155	0.139
DDU	—	—	—	—	—

1 Pieces weighing over 3 ounces subject to additional standards.

Nonletter-Size Minimum Per-Piece Rates
1.2

Pieces 0.2068 pound (3.3087 ounces) or less:

	Presorted[1]		Automation[2]	
Entry Discount	**Basic**	**3/5**	**Basic**	**3/5**
None	$0.304	$0.240	$0.245	$0.203
DBMC	0.288	0.224	0.229	0.187
DSCF	0.283	0.219	0.224	0.182
DDU	—	—	—	—

1 Residual shape surcharge in 10.0 might apply. Add $0.10 per piece for items that are prepared as a parcel or are not letter-size or flat-size.
2 Available only for automation-compatible flats.

Piece/Pound Rates
1.3

Pieces more than 0.2068 pound (3.3087 ounces):

	Presorted[2]		Automation[3]	
Piece/Pound Rate[1]	**Basic**	**3/5**	**Basic**	**3/5**
Per Piece	$0.164	$0.100	$0.105	$0.063
Per Pound (includes entry discount if applicable)	PLUS	PLUS	PLUS	PLUS
None	$0.677	$0.677	$0.677	$0.677
DBMC	0.598	0.598	0.598	0.598
DSCF	0.577	0.577	0.577	0.577
DDU	—	—	—	—

1 Each piece is subject to both a piece rate and a pound rate.
2 Residual shape surcharge in 10.0 might apply. Add $0.10 per piece for items that are prepared as a parcel or are not letter-size or flat-size.
3 Available only for automation-compatible flats.

2.0 ENHANCED CARRIER ROUTE STANDARD MAIL (A)

Letter-Size Minimum Per-Piece Rates
2.1

Pieces 0.2066 pound (3.3062 ounces) or less:

	Nonautomation			Automation[1]
Entry Discount	**Basic**	**High Density**	**Saturation**	**Basic**
None	$0.162	$0.139	$0.130	$0.156
DBMC	0.146	0.123	0.114	0.140
DSCF	0.141	0.118	0.109	0.135
DDU	0.136	0.113	0.104	0.130

1 Pieces weighing over 3 ounces subject to additional standards.

Nonletter-Size Minimum Per-Piece Rates
2.2

Pieces 0.2066 pound (3.3062 ounces) or less:

Entry Discount[1]	Basic	High Density	Saturation
None	$0.162	$0.151	$0.140
DBMC	0.146	0.135	0.124
DSCF	0.141	0.130	0.119
DDU	0.136	0.125	0.114

1 Residual shape surcharge in 10.0 might apply. Add $0.10 per piece for items that are prepared as a parcel or are not letter-size or flat-size.

Piece/Pound Rates
2.3

Pieces more than 0.2066 pound (3.3062 ounces):

Piece/Pound Rate[1, 2]	Basic	High Density	Saturation
Per Piece	$0.025	$0.014	$0.003
Per Pound (includes entry discount if applicable)	PLUS	PLUS	PLUS
None	$0.663	$0.663	$0.663
DBMC	0.584	0.584	0.584
DSCF	0.563	0.563	0.563
DDU	0.537	0.537	0.537

1 Residual shape surcharge in 10.0 might apply. Add $0.10 per piece for items that are prepared as a parcel or are not letter-size or flat-size.
2 Each piece is subject to both a piece rate and a pound rate.

3.0 NONPROFIT STANDARD MAIL (A)

Letter-Size Minimum Per-Piece Rates
3.1

Pieces 0.2055 pound (3.2873 ounces) or less:

	Presorted		Automation[1]		
Entry Discount	**Basic**	**3/5**	**Basic**	**3-Digit**	**5-Digit**
None	$0.169	$0.142	$0.119	$0.114	$0.093
DBMC	0.153	0.126	0.103	0.098	0.077
DSCF	0.148	0.121	0.098	0.093	0.072
DDU	—	—	—	—	—

1 Pieces weighing over 3 ounces subject to additional standards.

Nonletter-Size Minimum Per-Piece Rates
3.2

Pieces 0.2055 pound (3.2873 ounces) or less:

	Presorted[1]		Automation[2]	
Entry Discount	**Basic**	**3/5**	**Basic**	**3/5**
None	$0.233	$0.165	$0.182	$0.144
DBMC	0.217	0.149	0.166	0.128
DSCF	0.212	0.144	0.161	0.123
DDU	—	—	—	—

1 Residual shape surcharge in 10.0 might apply. Add $0.10 per piece for items that are prepared as a parcel or are not letter-size or flat-size.
2 Available only for automation-compatible flats.

Piece/Pound Rates
3.3

Pieces more than 0.2055 pound (3.2873 ounces):

	Presorted[2]		Automation[3]	
Piece/Pound Rate[1]	**Basic**	**3/5**	**Basic**	**3/5**
Per Piece	$0.120	$0.052	$0.069	$0.031
Per Pound (includes entry discount if applicable)	PLUS	PLUS	PLUS	PLUS
None	$0.550	$0.550	$0.550	$0.550

DBMC	0.471	0.471	0.471	0.471
DSCF	0.450	0.450	0.450	0.450
DDU	—	—	—	—

1 Each piece is subject to both a piece rate and a pound rate.
2 Residual shape surcharge in 10.0 might apply. Add $0.10 per piece for items that are prepared as a parcel or are not letter-size or flat-size.
3 Available only for automation-compatible flats.

4.0 NONPROFIT ENHANCED CARRIER ROUTE STANDARD MAIL (A)

Letter-Size Minimum Per-Piece Rates
4.1

Pieces 0.2069 pound (3.3103 ounces) or less:

	Nonautomation			Automation[1]
Entry Discount	**Basic**	**High Density**	**Saturation**	**Basic**
None	$0.099	$0.078	$0.072	$0.092
DBMC	0.083	0.062	0.056	0.076
DSCF	0.078	0.057	0.051	0.071
DDU	0.073	0.052	0.046	0.066

1 Pieces weighing over 3 ounces subject to additional standards.

Nonletter-Size Minimum Per-Piece Rates
4.2

Pieces 0.2069 pound (3.3103 ounces) or less:

Entry Discount[1]	Basic	High Density	Saturation
None	$0.099	$0.092	$0.084
DBMC	0.083	0.076	0.068
DSCF	0.078	0.071	0.063
DDU	0.073	0.066	0.058

1 Residual shape surcharge in 10.0 might apply. Add $0.10 per piece for items that are prepared as a parcel or are not letter-size or flat-size.

Piece/Pound Rates
4.3

Pieces more than 0.2069 pound (3.3103 ounces):

Piece/Pound Rate[1, 2]	Basic	High Density	Saturation
Per Piece	$0.039	$0.032	$0.024
Per Pound (includes entry discount if applicable)	PLUS	PLUS	PLUS
None	$0.290	$0.290	$0.290
DBMC	0.211	0.211	0.211
DSCF	0.190	0.190	0.190
DDU	0.164	0.164	0.164

1 Residual shape surcharge in 10.0 might apply. Add $0.10 per piece for items that are prepared as a parcel or are not letter-size or flat-size.
2 Each piece is subject to both a piece rate and a pound rate.

5.0 PARCEL POST STANDARD MAIL (B)

Inter-BMC/ASF Single-Piece Machinable Parcel Post

5.1 Inter-BMC/ASF ZIP Codes only, no discount, no surcharge:

Weight Not Over (pounds)	Zone[1, 2, 3, 4, 5]						
	1 & 2	3	4	5	6	7	8
2	$3.15	$3.15	$3.15	$3.15	$3.15	$3.15	$3.15
3	3.59	3.90	4.25	4.25	4.25	4.25	4.25
4	3.73	4.16	4.91	5.35	5.35	5.35	5.35
5	3.86	4.39	5.33	6.45	6.45	6.45	6.45
6	3.99	4.62	5.71	7.10	7.40	7.60	8.15
7	4.11	4.82	6.07	7.72	8.35	8.75	9.85
8	4.24	5.01	6.38	8.26	9.30	9.90	11.55
9	4.33	5.19	6.71	8.76	10.25	11.05	13.25
10	4.45	5.36	6.99	9.23	10.92	12.20	14.95
11	4.54	5.53	7.27	9.66	11.47	13.30	16.10
12	4.64	5.68	7.53	10.06	11.97	14.30	17.35
13	4.73	5.81	7.77	10.44	12.44	15.17	18.65
14	4.82	5.97	8.01	10.80	12.89	15.74	19.90
15	4.90	6.10	8.24	11.13	13.31	16.28	21.15
16	4.98	6.23	8.45	11.45	13.70	16.77	21.85
17	5.07	6.34	8.66	11.74	14.08	17.25	22.49
18	5.14	6.46	8.85	12.02	14.42	17.69	23.10
19	5.23	6.58	9.04	12.29	14.76	18.12	23.67
20	5.29	6.68	9.20	12.54	15.07	18.52	24.21
21	5.36	6.80	9.37	12.79	15.38	18.90	24.72
22	5.43	6.89	9.54	13.02	15.66	19.26	25.21
23	5.50	7.01	9.71	13.23	15.93	19.60	25.67
24	5.55	7.10	9.85	13.45	16.19	19.94	26.12
25	5.62	7.19	10.01	13.64	16.44	20.24	26.54
26	5.68	7.28	10.15	13.84	16.68	20.54	26.93
27	5.75	7.37	10.28	14.02	16.90	20.82	27.32
28	5.80	7.46	10.43	14.20	17.12	21.09	27.68
29	5.86	7.55	10.56	14.36	17.33	21.35	28.04
30	5.92	7.63	10.67	14.52	17.52	21.60	28.36
31	5.98	7.70	10.80	14.67	17.72	21.85	28.68
32	6.03	7.79	10.92	14.82	17.90	22.08	28.99
33	6.08	7.87	11.04	14.97	18.07	22.30	29.28
34	6.14	7.93	11.14	15.11	18.24	22.51	29.56
35	6.19	8.01	11.26	15.24	18.40	22.71	29.83

1 For OBMC discount, deduct $0.57 per piece.
2 For BMC Presort discount, deduct $0.22 per piece.
3 For barcoded discount, deduct $0.03 per piece.
4 Parcels that weigh less than 15 pounds but measure more than 84 inches (but not more than 108 inches) in combined length and girth are charged the applicable rate for a 15-pound parcel.
5 For pieces weighing more than 35 pounds, see 5.2.

5.2 Inter-BMC/ASF Single-Piece Nonmachinable Parcel Post

Inter-BMC/ASF ZIP Codes only, nonmachinable surcharge of $1.65 included:

Weight Not Over (pounds)	Zone[1, 2, 3, 4, 5]						
	1 & 2	3	4	5	6	7	8
2	$4.80	$4.80	$4.80	$4.80	$4.80	$4.80	$4.80
3	5.24	5.55	5.90	5.90	5.90	5.90	5.90
4	5.38	5.81	6.56	7.00	7.00	7.00	7.00
5	5.51	6.04	6.98	8.10	8.10	8.10	8.10
6	5.64	6.27	7.36	8.75	9.05	9.25	9.80
7	5.76	6.47	7.72	9.37	10.00	10.40	11.50
8	5.89	6.66	8.03	9.91	10.95	11.55	13.20
9	5.98	6.84	8.36	10.41	11.90	12.70	14.90
10	6.10	7.01	8.64	10.88	12.57	13.85	16.60
11	6.19	7.18	8.92	11.31	13.12	14.95	17.75
12	6.29	7.33	9.18	11.71	13.62	15.95	19.00
13	6.38	7.46	9.42	12.09	14.09	16.82	20.30
14	6.47	7.62	9.66	12.45	14.54	17.39	21.55
15	6.55	7.75	9.89	12.78	14.96	17.93	22.80
16	6.63	7.88	10.10	13.10	15.35	18.42	23.50
17	6.72	7.99	10.31	13.39	15.73	18.90	24.14
18	6.79	8.11	10.50	13.67	16.07	19.34	24.75
19	6.88	8.23	10.69	13.94	16.41	19.77	25.32
20	6.94	8.33	10.85	14.19	16.72	20.17	25.86
21	7.01	8.45	11.02	14.44	17.03	20.55	26.37
22	7.08	8.54	11.19	14.67	17.31	20.91	26.86
23	7.15	8.66	11.36	14.88	17.58	21.25	27.32
24	7.20	8.75	11.50	15.10	17.84	21.59	27.77
25	7.27	8.84	11.66	15.29	18.09	21.89	28.19
26	7.33	8.93	11.80	15.49	18.33	22.19	28.58
27	7.40	9.02	11.93	15.67	18.55	22.47	28.97
28	7.45	9.11	12.08	15.85	18.77	22.74	29.33
29	7.51	9.20	12.21	16.01	18.98	23.00	29.69
30	7.57	9.28	12.32	16.17	19.17	23.25	30.01
31	7.63	9.35	12.45	16.32	19.37	23.50	30.33
32	7.68	9.44	12.57	16.47	19.55	23.73	30.64
33	7.73	9.52	12.69	16.62	19.72	23.95	30.93
34	7.79	9.58	12.79	16.76	19.89	24.16	31.21
35	7.84	9.66	12.91	16.89	20.05	24.36	31.48
36	7.89	9.72	13.03	17.02	20.21	24.55	31.74
37	7.94	9.79	13.12	17.15	20.36	24.75	31.99
38	7.99	9.87	13.23	17.26	20.50	24.92	32.23
39	8.05	9.93	13.32	17.37	20.64	25.09	32.46
40	8.09	10.00	13.42	17.49	20.78	25.27	32.67
41	8.15	10.07	13.51	17.60	20.91	25.43	32.89
42	8.19	10.13	13.60	17.70	21.03	25.58	33.10
43	8.23	10.19	13.70	17.80	21.16	25.73	33.29
44	8.28	10.24	13.78	17.89	21.27	25.87	33.49
45	8.32	10.31	13.87	17.99	21.39	26.01	33.67
46	8.37	10.37	13.95	18.09	21.50	26.15	33.84
47	8.42	10.43	14.03	18.17	21.61	26.28	34.02
48	8.46	10.49	14.12	18.26	21.70	26.40	34.18
49	8.50	10.54	14.20	18.34	21.81	26.53	34.33
50	8.54	10.59	14.26	18.42	21.91	26.65	34.49
51	8.59	10.65	14.35	18.50	22.00	26.76	34.63
52	8.63	10.71	14.42	18.58	22.09	26.87	34.77
53	8.67	10.76	14.48	18.65	22.18	26.98	34.92
54	8.71	10.82	14.56	18.73	22.27	27.09	35.05
55	8.75	10.85	14.64	18.79	22.34	27.18	35.18
56	8.80	10.92	14.70	18.87	22.43	27.28	35.31
57	8.84	10.97	14.77	18.93	22.51	27.38	35.42
58	8.88	11.01	14.83	19.00	22.58	27.47	35.54
59	8.92	11.06	14.90	19.06	22.66	27.55	35.65
60	8.96	11.11	14.98	19.12	22.72	27.64	35.77
61	9.01	11.17	15.03	19.18	22.80	27.73	35.92
62	9.05	11.21	15.09	19.24	22.86	27.80	36.06
63	9.07	11.26	15.16	19.29	22.93	27.88	36.20
64	9.11	11.30	15.22	19.34	22.99	27.95	36.33
65	9.15	11.35	15.27	19.40	23.06	28.03	36.46
66	9.20	11.40	15.33	19.45	23.11	28.10	36.58
67	9.24	11.44	15.39	19.51	23.18	28.17	36.71
68	9.27	11.48	15.46	19.56	23.23	28.24	36.84
69	9.31	11.52	15.51	19.60	23.29	28.31	36.94
70	9.35	11.58	15.57	19.66	23.34	28.37	37.07
Over-sized	34.07	38.18	44.22	53.79	65.11	80.53	106.01

1 For OBMC discount, deduct $0.57 per piece.
2 For BMC Presort discount, deduct $0.22 per piece.
3 Pieces that measure more than 108 inches (but not more than 130 inches) in combined length and girth pay the oversized rate, regardless of the actual weight of the piece.
4 Parcels that weigh less than 15 pounds but measure more than 84 inches (but not more than 108 inches) in combined length and girth are charged the applicable rate for a 15-pound parcel.
5 If special handling, subtract $1.65 nonmachinable surcharge.

Local and Intra-BMC/ASF Single-Piece Parcel Post

5.3

Weight Not Over (pounds)	Zone[1, 2, 3]				
	Local	1 & 2	3	4	5
2	$2.67	$2.80	$2.80	$2.80	$2.80
3	2.87	3.17	3.26	3.27	3.29
4	3.04	3.32	3.57	3.58	4.14
5	3.19	3.45	3.85	3.88	4.63
6	3.28	3.58	4.13	4.15	5.08
7	3.35	3.69	4.37	4.40	5.50
8	3.43	3.82	4.59	4.63	5.90
9	3.50	3.91	4.77	4.86	6.27
10	3.58	4.03	5.01	5.08	6.62
11	3.64	4.12	5.18	5.27	6.94
12	3.71	4.23	5.33	5.47	7.26
13	3.78	4.32	5.46	5.65	7.54
14	3.84	4.41	5.55	5.83	7.82
15	3.90	4.49	5.68	5.99	8.08
16	3.97	4.56	5.81	6.15	8.33
17	4.02	4.65	5.93	6.31	8.56
18	4.07	4.72	6.05	6.45	8.80
19	4.12	4.81	6.16	6.59	9.01
20	4.19	4.88	6.27	6.74	9.21
21	4.23	4.94	6.38	6.87	9.41
22	4.28	5.02	6.47	7.00	9.60
23	4.33	5.08	6.59	7.13	9.79
24	4.38	5.14	6.68	7.24	9.96
25	4.43	5.20	6.77	7.36	10.13
26	4.47	5.27	6.86	7.47	10.29
27	4.52	5.33	6.96	7.58	10.44
28	4.56	5.38	7.05	7.69	10.59
29	4.62	5.45	7.14	7.80	10.74
30	4.67	5.50	7.22	7.89	10.89
31	4.71	5.56	7.28	7.99	11.02
32	4.75	5.62	7.37	8.09	11.15
33	4.80	5.67	7.45	8.19	11.29
34	4.84	5.72	7.51	8.27	11.40
35	4.88	5.77	7.59	8.37	11.52
36	4.91	5.82	7.66	8.46	11.65
37	4.95	5.88	7.72	8.54	11.76
38	4.99	5.93	7.80	8.62	11.87
39	5.04	5.98	7.87	8.71	11.97
40	5.08	6.02	7.93	8.78	12.08
41	5.12	6.08	8.01	8.87	12.18
42	5.16	6.12	8.06	8.94	12.27
43	5.20	6.16	8.13	9.02	12.38
44	5.25	6.21	8.18	9.10	12.46
45	5.28	6.25	8.24	9.16	12.56
46	5.32	6.31	8.31	9.24	12.64
47	5.36	6.36	8.36	9.30	12.73
48	5.40	6.40	8.42	9.38	12.83
49	5.43	6.44	8.48	9.44	12.90
50	5.47	6.47	8.53	9.51	12.99
51	5.51	6.53	8.58	9.57	13.06
52	5.54	6.57	8.65	9.64	13.14
53	5.58	6.60	8.70	9.70	13.21
54	5.62	6.64	8.75	9.76	13.29
55	5.66	6.68	8.79	9.82	13.36
56	5.69	6.73	8.85	9.89	13.42
57	5.72	6.77	8.91	9.94	13.50
58	5.76	6.81	8.94	9.99	13.57
59	5.80	6.85	9.00	10.06	13.63
60	5.82	6.89	9.05	10.11	13.70
61	5.88	6.94	9.10	10.17	13.77
62	5.90	6.98	9.14	10.22	13.82
63	5.94	7.01	9.19	10.28	13.88
64	5.97	7.05	9.23	10.33	13.95
65	6.01	7.09	9.28	10.38	14.00
66	6.03	7.14	9.33	10.44	14.07
67	6.08	7.18	9.37	10.49	14.12
68	6.11	7.20	9.41	10.54	14.17
69	6.15	7.24	9.45	10.59	14.23
70	6.18	7.28	9.52	10.64	14.28
Over-sized	19.43	28.42	28.42	28.42	28.42

1 For barcoded discount, deduct $0.03 per piece (machinable parcels only).

2 Pieces that measure more than 108 inches (but not more than 130 inches) in combined length and girth pay the oversized rate, regardless of the actual weight of the piece.

3 Parcels that weigh less than 15 pounds but measure more than 84 inches (but not more than 108 inches) in combined length and girth are charged the applicable rate for a 15-pound parcel.

5.4 Destination Entry Parcel Post (DDU/DSCF/DBMC)

Destination facility ZIP Codes only, discount included:

Weight Not Over (pounds)	DDU[1,2]	DSCF[1,2]	DBMC Zone[1,2,3]			
			1 & 2	3	4	5
2	$1.10	$1.67	$2.23	$2.40	$2.40	$2.40
3	1.35	1.78	2.40	2.86	2.87	2.89
4	1.42	1.91	2.58	3.17	3.18	3.94
5	1.48	2.02	2.74	3.45	3.48	4.40
6	1.53	2.12	2.88	3.73	3.75	4.83
7	1.58	2.21	3.02	3.97	4.00	5.22
8	1.63	2.30	3.15	4.19	4.23	5.60
9	1.69	2.40	3.28	4.37	4.46	5.95
10	1.74	2.48	3.40	4.51	4.68	6.29
11	1.78	2.56	3.51	4.67	4.87	6.59
12	1.83	2.64	3.62	4.81	5.07	6.89
13	1.88	2.72	3.73	4.93	5.25	7.16
14	1.91	2.78	3.82	5.08	5.43	7.42
15	1.95	2.84	3.91	5.20	5.59	7.67
16	2.00	2.92	4.01	5.32	5.75	7.91
17	2.03	2.98	4.09	5.43	5.91	8.13
18	2.08	3.04	4.18	5.54	6.05	8.35
19	2.11	3.10	4.26	5.64	6.19	8.55
20	2.15	3.16	4.34	5.75	6.34	8.74
21	2.19	3.22	4.42	5.85	6.47	8.94
22	2.22	3.27	4.49	5.94	6.60	9.12
23	2.26	3.32	4.56	6.05	6.73	9.30
24	2.29	3.38	4.63	6.14	6.84	9.46
25	2.33	3.43	4.70	6.21	6.96	9.62
26	2.36	3.47	4.76	6.31	7.07	9.78
27	2.40	3.53	4.83	6.38	7.18	9.92
28	2.43	3.57	4.89	6.47	7.29	10.07
29	2.47	3.63	4.96	6.57	7.40	10.21
30	2.49	3.67	5.01	6.63	7.49	10.35
31	2.53	3.72	5.08	6.70	7.59	10.48
32	2.56	3.76	5.13	6.79	7.69	10.61
33	2.59	3.81	5.19	6.85	7.79	10.73
34	2.63	3.86	5.25	6.92	7.87	10.84
35	2.66	3.90	5.31	6.99	7.97	10.96
36	2.69	3.94	5.36	7.05	8.06	11.08
37	2.71	3.97	5.40	7.11	8.14	11.19
38	2.75	4.02	5.46	7.19	8.22	11.29
39	2.78	4.06	5.51	7.24	8.31	11.39
40	2.81	4.10	5.56	7.31	8.38	11.50
41	2.84	4.14	5.61	7.38	8.47	11.59
42	2.86	4.17	5.65	7.44	8.54	11.68
43	2.90	4.22	5.71	7.49	8.62	11.79
44	2.92	4.26	5.75	7.54	8.70	11.87
45	2.95	4.29	5.79	7.61	8.76	11.96
46	2.99	4.34	5.85	7.67	8.84	12.04
47	3.02	4.37	5.89	7.72	8.90	12.13
48	3.04	4.40	5.93	7.77	8.98	12.22
49	3.07	4.45	5.98	7.83	9.04	12.29
50	3.10	4.48	6.02	7.88	9.11	12.38
51	3.13	4.51	6.06	7.93	9.17	12.45
52	3.16	4.55	6.11	8.00	9.24	12.52
53	3.18	4.58	6.14	8.05	9.30	12.60
54	3.20	4.61	6.18	8.09	9.36	12.67
55	3.24	4.65	6.23	8.13	9.42	12.74
56	3.27	4.69	6.27	8.19	9.49	12.80
57	3.29	4.71	6.30	8.24	9.54	12.88
58	3.33	4.76	6.35	8.28	9.59	12.94
59	3.34	4.78	6.38	8.33	9.66	13.01
60	3.37	4.82	6.42	8.39	9.71	13.07
61	3.40	4.85	6.46	8.42	9.77	13.14
62	3.43	4.88	6.50	8.46	9.82	13.19
63	3.45	4.91	6.53	8.52	9.88	13.25
64	3.48	4.94	6.57	8.55	9.93	13.31
65	3.51	4.98	6.61	8.61	9.98	13.37
66	3.54	5.01	6.65	8.66	10.04	13.43
67	3.56	5.04	6.68	8.70	10.09	13.48
68	3.58	5.07	6.71	8.74	10.14	13.54
69	3.61	5.10	6.75	8.76	10.19	13.59
70	3.65	5.14	6.79	8.83	10.24	13.64
Over-sized	8.69	11.99	15.43	22.73	28.00	28.00

1 Parcels that weigh less than 15 pounds but measure more than 84 inches (but not more than 108 inches) in combined length and girth are charged the applicable rate for a 15-pound parcel.

2 Pieces that measure more than 108 inches (but not more than 130 inches) in combined length and girth pay the oversized rate, regardless of the actual weight of the piece.

3 For barcoded discount, deduct $0.03 per piece (machinable parcels only). Barcoded discount is not available for DDU and DSCF rates and DBMC mail entered at an ASF. Barcoded discount is available for Parcel Post at the Phoenix, AZ, ASF.

6.0 BOUND PRINTED MATTER STANDARD MAIL (B)

Single-Piece Rate
6.1

a. Base Bound Printed Matter Single-Piece Rate:

Rate	Zone[1]							
	Local	1 & 2	3	4	5	6	7	8
Per Piece	$1.08	$1.44	$1.44	$1.44	$1.44	$1.44	$1.44	$1.44
Per Pound	0.039	0.064	0.087	0.126	0.184	0.246	0.321	0.385

1 For barcoded discount, deduct $0.03 per piece (machinable parcels only). Barcoded discount is not available for parcels mailed at the local zone rate.

b. Bound Printed Matter Single-Piece Rate:

Weight Not Over (pounds)	Zone[1, 2]							
	Local	1 & 2	3	4	5	6	7	8
1.5	$1.14	$1.54	$1.57	$1.63	$1.72	$1.81	$1.92	$2.02
2.0	1.16	1.57	1.61	1.69	1.81	1.93	2.08	2.21
2.5	1.18	1.60	1.66	1.76	1.90	2.06	2.24	2.40
3.0	1.20	1.63	1.70	1.82	1.99	2.18	2.40	2.60
3.5	1.22	1.66	1.74	1.88	2.08	2.30	2.56	2.79
4.0	1.24	1.70	1.79	1.94	2.18	2.42	2.72	2.98
4.5	1.26	1.73	1.83	2.01	2.27	2.55	2.88	3.17
5.0	1.28	1.76	1.88	2.07	2.36	2.67	3.05	3.37
6.0	1.31	1.82	1.96	2.20	2.54	2.92	3.37	3.75
7.0	1.35	1.89	2.05	2.32	2.73	3.16	3.69	4.14
8.0	1.39	1.95	2.14	2.45	2.91	3.41	4.01	4.52
9.0	1.43	2.02	2.22	2.57	3.10	3.65	4.33	4.91
10.0	1.47	2.08	2.31	2.70	3.28	3.90	4.65	5.29
11.0	1.51	2.14	2.40	2.83	3.46	4.15	4.97	5.68
12.0	1.55	2.21	2.48	2.95	3.65	4.39	5.29	6.06
13.0	1.59	2.27	2.57	3.08	3.83	4.64	5.61	6.45
14.0	1.63	2.34	2.66	3.20	4.02	4.88	5.93	6.83
15.0	1.67	2.40	2.75	3.33	4.20	5.13	6.26	7.22

1 These amounts are correct for the corresponding weights. Compute postage exactly for items of intermediate weights as provided in P013.
2 For barcoded discount, deduct $0.03 per piece (machinable parcels only).

Presorted Rate
6.2

a. Base Bound Printed Matter Presorted Rate:

Rate[1]	Zone							
	Local	1 & 2	3	4	5	6	7	8
Per Piece[2]								
Basic	$0.540	$0.720	$0.720	$0.720	$0.720	$0.720	$0.720	$0.720
Carrier Route	0.463	0.643	0.643	0.643	0.643	0.643	0.643	0.643
Per Pound	0.028	0.051	0.073	0.112	0.171	0.233	0.307	0.371

1 Applicable per piece rate plus the per pound rate.
2 For barcoded discount, deduct $0.03 per piece (machinable parcels only). Barcoded discount is not available for parcels mailed at Carrier Route rates.

b. Computed Basic Presorted Bound Printed Matter Rate:

Weight Not Over (pounds)	Zone[1, 2]							
	Local	1 & 2	3	4	5	6	7	8
1.5	$0.582	$0.797	$0.830	$0.888	$0.977	$1.070	$1.181	$1.277
2.0	0.596	0.822	0.866	0.944	1.062	1.186	1.334	1.462
2.5	0.610	0.848	0.903	1.000	1.148	1.303	1.488	1.648
3.0	0.624	0.873	0.939	1.056	1.233	1.419	1.641	1.833
3.5	0.638	0.899	0.976	1.112	1.319	1.536	1.795	2.019
4.0	0.652	0.924	1.012	1.168	1.404	1.652	1.948	2.204
4.5	0.666	0.950	1.049	1.224	1.490	1.769	2.102	2.390
5.0	0.680	0.975	1.085	1.280	1.575	1.885	2.255	2.575
6.0	0.708	1.026	1.158	1.392	1.746	2.118	2.562	2.946
7.0	0.736	1.077	1.231	1.504	1.917	2.351	2.869	3.317
8.0	0.764	1.128	1.304	1.616	2.088	2.584	3.176	3.688
9.0	0.792	1.179	1.377	1.728	2.259	2.817	3.483	4.059
10.0	0.820	1.230	1.450	1.840	2.430	3.050	3.790	4.430
11.0	0.848	1.281	1.523	1.952	2.601	3.283	4.097	4.801
12.0	0.876	1.332	1.596	2.064	2.772	3.516	4.404	5.172
13.0	0.904	1.383	1.669	2.176	2.943	3.749	4.711	5.543
14.0	0.932	1.434	1.742	2.288	3.114	3.982	5.018	5.914
15.0	0.960	1.485	1.815	2.400	3.285	4.215	5.325	6.285

1 These amounts are correct for the corresponding weights. Compute postage exactly for items of intermediate weights as provided in P013.

2 For barcoded discount, deduct $0.03 per piece (machinable parcels only).

c. Computed Carrier Route Bound Printed Matter Rate:

Weight (pounds)	Zone[1]							
	Local	1 & 2	3	4	5	6	7	8
1.5	$0.505	$0.720	$0.753	$0.811	$0.900	$0.993	$1.104	$1.200
2.0	0.519	0.745	0.789	0.867	0.985	1.109	1.257	1.385
2.5	0.533	0.771	0.826	0.923	1.071	1.226	1.411	1.571
3.0	0.547	0.796	0.862	0.979	1.156	1.342	1.564	1.756
3.5	0.561	0.822	0.899	1.035	1.242	1.459	1.718	1.942
4.0	0.575	0.847	0.935	1.091	1.327	1.575	1.871	2.127
4.5	0.589	0.873	0.972	1.147	1.413	1.692	2.025	2.313
5.0	0.603	0.898	1.008	1.203	1.498	1.808	2.178	2.498
6.0	0.631	0.949	1.081	1.315	1.669	2.041	2.485	2.869
7.0	0.659	1.000	1.154	1.427	1.840	2.274	2.792	3.240
8.0	0.687	1.051	1.227	1.539	2.011	2.507	3.099	3.611
9.0	0.715	1.102	1.300	1.651	2.182	2.740	3.406	3.982
10.0	0.743	1.153	1.373	1.763	2.353	2.973	3.713	4.353
11.0	0.771	1.204	1.446	1.875	2.524	3.206	4.020	4.724
12.0	0.799	1.255	1.519	1.987	2.695	3.439	4.327	5.095
13.0	0.827	1.306	1.592	2.099	2.866	3.672	4.634	5.466
14.0	0.855	1.357	1.665	2.211	3.037	3.905	4.941	5.837
15.0	0.883	1.408	1.738	2.323	3.208	4.138	5.248	6.208

1 These amounts are correct for the corresponding weights. Compute postage exactly for items of intermediate weights as provided in P013.

7.0 SPECIAL STANDARD MAIL

Weight Not Over (pounds)	Single-Piece[1]	5-Digit	BMC[1]
1	$1.13	$0.64	$0.95
2	1.58	1.09	1.40
3	2.03	1.54	1.85
4	2.48	1.99	2.30
5	2.93	2.44	2.75
6	3.38	2.89	3.20
7	3.83	3.34	3.65
8	4.11	3.62	3.93
9	4.39	3.90	4.21
10	4.67	4.18	4.49
11	4.95	4.46	4.77
12	5.23	4.74	5.05
13	5.51	5.02	5.33
14	5.79	5.30	5.61
15	6.07	5.58	5.89
16	6.35	5.86	6.17
17	6.63	6.14	6.45
18	6.91	6.42	6.73
19	7.19	6.70	7.01
20	7.47	6.98	7.29
21	7.75	7.26	7.57
22	8.03	7.54	7.85
23	8.31	7.82	8.13
24	8.59	8.10	8.41
25	8.87	8.38	8.69
26	9.15	8.66	8.97
27	9.43	8.94	9.25
28	9.71	9.22	9.53
29	9.99	9.50	9.81
30	10.27	9.78	10.09
31	10.55	10.06	10.37
32	10.83	10.34	10.65
33	11.11	10.62	10.93
34	11.39	10.90	11.21
35	11.67	11.18	11.49
36	11.95	11.46	11.77
37	12.23	11.74	12.05
38	12.51	12.02	12.33
39	12.79	12.30	12.61
40	13.07	12.58	12.89
41	13.35	12.86	13.17
42	13.63	13.14	13.45
43	13.91	13.42	13.73
44	14.19	13.70	14.01
45	14.47	13.98	14.29
46	14.75	14.26	14.57
47	15.03	14.54	14.85
48	15.31	14.82	15.13
49	15.59	15.10	15.41
50	15.87	15.38	15.69
51	16.15	15.66	15.97
52	16.43	15.94	16.25
53	16.71	16.22	16.53
54	16.99	16.50	16.81
55	17.27	16.78	17.09
56	17.55	17.06	17.37
57	17.83	17.34	17.65
58	18.11	17.62	17.93
59	18.39	17.90	18.21
60	18.67	18.18	18.49
61	18.95	18.46	18.77
62	19.23	18.74	19.05
63	19.51	19.02	19.33
64	19.79	19.30	19.61
65	20.07	19.58	19.89
66	20.35	19.86	20.17
67	20.63	20.14	20.45
68	20.91	20.42	20.73
69	21.19	20.70	21.01
70	21.47	20.98	21.29

1 For barcoded discount, deduct $0.03 per piece (machinable parcels only). Barcoded discount is not available for parcels mailed at the 5-digit rate.

8.0 LIBRARY MAIL

Weight Not Over (pounds)	Single-Piece[1]
1	$1.13
2	1.58
3	2.03
4	2.48
5	2.93
6	3.38
7	3.83
8	4.11
9	4.39
10	4.67
11	4.95
12	5.23
13	5.51
14	5.79
15	6.07
16	6.35
17	6.63
18	6.91
19	7.19
20	7.47
21	7.75
22	8.03
23	8.31
24	8.59
25	8.87
26	9.15
27	9.43
28	9.71
29	9.99
30	10.27
31	10.55
32	10.83
33	11.11
34	11.39
35	11.67
36	11.95
37	12.23
38	12.51
39	12.79
40	13.07
41	13.35
42	13.63
43	13.91
44	14.19
45	14.47
46	14.75
47	15.03
48	15.31
49	15.59
50	15.87
51	16.15
52	16.43
53	16.71
54	16.99
55	17.27
56	17.55
57	17.83
58	18.11
59	18.39
60	18.67
61	18.95
62	19.23
63	19.51
64	19.79
65	20.07
66	20.35
67	20.63
68	20.91
69	21.19
70	21.47

1 For barcoded discount, deduct $0.03 per piece (machinable parcels only).

9.0 FEES

Mailing
9.1

Fee, as appropriate, per 12-month period:

a. Standard Mail (A) (Regular, Enhanced Carrier Route, Nonprofit, and Nonprofit Enhanced Carrier Route): $100.00.

b. Bulk Parcel Return Service Permit: $100.00.

c. Parcel Post (destination BMC, destination SCF, destination DU): $100.00.

d. Presorted Special Standard Mail: $100.00.

Address Correction Service
9.2

Charge per notice issued:

a. Manual: $0.50.

b. Automated: $0.20.

Pickup
9.3

Parcel Post only, per occurrence: $8.25. May be combined with Express Mail and Priority Mail pickups.

Bulk Parcel Return Service Fee — Standard Mail (A)
9.4

Machinable pieces only, fee per piece returned: $1.75.

10.0 SURCHARGES

Residual Shape Surcharge — Standard Mail (A)
10.1

Items that are prepared as a parcel or are not letter-size or flat-size, per piece: $0.10.

R900 Services

1.0 ADDRESS SEQUENCING SERVICE

Basic Service and Blanks for Missing Addresses Service
1.1

Per card included by the mailer that was removed by the USPS for an incorrect or undeliverable address: $0.20.

Missing or New Addresses Service
1.2

Per card included by the mailer that was removed by the USPS for an incorrect or undeliverable address, and for each address (possible delivery) that is added to the customer's list: $0.20.

2.0 BUSINESS REPLY MAIL (BRM)

Annual Fees
2.1

Per 12-month period:

a. BRM permit fee: $100.00.

b. BRM accounting fee: $300.00.

Per-Piece Charges
2.2

Each piece is charged the applicable postage plus the appropriate fee upon return to the permit holder:

Type	Postage (per piece)	Fee with Advance Deposit Account (in addition to postage)	Fee without Advance Deposit Account (in addition to postage)
Regular BRM	Letters: $0.33 first ounce or fraction $0.22 each additional ounce or fraction Postcards: $0.20	$0.08	$0.30
Qualified BRM[1]	Letters: $0.30 first ounce or fraction $0.22 second ounce or fraction Postcards: $0.18	$0.05	N/A

1 Accounting fee required.

3.0 CALLER SERVICE

Fees are charged as follows:

a. For service provided, per semiannual period:

Fee Group	Fee
A	$275.00
B	275.00
C	275.00
D	275.00

b. For each reserved call number, per calendar year (all post offices): $36.00.

4.0 CERTIFICATE OF MAILING

Individual Pieces

4.1 For service provided (in addition to postage):

a. For individual article listing (Form 3817 or facsimile), per article: $0.60.

b. For additional copies of Form 3817 or mailing receipt, per page: $0.60.

c. For firm mailing books (Form 3877 or facsimile), per article listed: $0.25.

Bulk Quantities

4.2 For bulk quantities using certificate of mailing:

Service	Fee
Up to 1,000 pieces (one certificate (Form 3606) for total number)	$3.00
Each additional 1,000 pieces or fraction thereof	0.40
Duplicate copy	0.60

5.0 CERTIFIED MAIL

Fee, in addition to postage and other fees, per mailpiece: $1.40.

6.0 COLLECT ON DELIVERY (COD)

Fee, in addition to postage and other fees:

Amount to be collected or insurance coverage desired[1]	Fee
$0.01 to $50.00	$4.00
50.01 to 100.00	5.00
100.01 to 200.00	6.00
200.01 to 300.00	7.00
300.01 to 400.00	8.00
400.01 to 500.00	9.00
500.01 to 600.00	10.00
Restricted delivery[2]	$2.75
Notice of nondelivery	$3.00
Alteration of COD charges or designation of new addressee	$3.00
Registered COD[3]	$4.00

1 For Express Mail COD shipments, the fee charged is based on the amount to be collected. Express Mail insurance automatically provides up to $500 merchandise insurance. If the amount to be collected for an Express Mail COD shipment is between $500 and $600, the maximum COD fee ($10.00) must be paid.

2 Not available with Express Mail COD.

3 Fee for registered COD is as shown, regardless of insurance value.

7.0 [RESERVED]

8.0 EXPRESS MAIL INSURANCE

Fee, in addition to postage and other fees, for additional Express Mail insurance:

a. For amount of merchandise insurance liability:

Insurance Coverage Desired	Fee
$ 0.01 to $ 500.00	none
500.01 to 5,000.00	$0.95 for each $100 or fraction thereof over $500 in desired coverage
Express Mail merchandise maximum liability: $5,000.00.	

b. Document reconstruction maximum liability: $500.00.

9.0 INSURED MAIL

Fee, in addition to postage and other fees, for merchandise insurance liability:

Insurance Coverage Desired			Fee	Bulk Insurance Fee[1]
$ 0.01	to	$ 50.00	$0.85	$0.45
50.01	to	100.00	1.80	1.40
100.01	to	200.00	2.75	2.35
200.01	to	300.00	3.70	3.30
300.01	to	400.00	4.65	4.25
400.01	to	500.00	5.60	5.20
500.01	to	600.00	6.55	6.15
600.01	to	700.00	7.50	7.10
700.01	to	800.00	8.45	8.05
800.01	to	900.00	9.40	9.00
900.01	to	1,000.00	10.35	9.95
1,000.01	to	5,000.00	10.35 plus $0.95 for each $100 or fraction thereof over $1,000 in desired coverage	9.95 plus $0.55 for each $100 or fraction thereof over $1,000 in desired coverage
Insured mail maximum liability: $5,000.00.				

1 Includes discount of $0.40 per piece.

10.0 MAILING LIST SERVICE

List Correction
10.1

For correction of name and address lists and occupant lists:

a. Per name on list: $0.20.

b. Minimum per list: $7.00.

5-Digit ZIP Code Sortation
10.2

For sortation of mailing lists on cards into groups labeled by 5-digit ZIP Code (available only for multi-ZIP Code post offices), per 1,000 addresses or fraction: $70.00.

Election Boards
10.3

For address changes provided to election boards and voter registration commissions, for each Form 3575 or Form 3575-WWW: $0.17.

11.0 MERCHANDISE RETURN SERVICE

For services provided:

a. Fee, per 12-month period: $100.00.

b. Charge (in addition to postage), per mailpiece returned: $0.30.

12.0 METER SERVICE

On-Site
12.1

Fees for on-site meter setting or examination:

Basis	First Meter	Each Additional Meter	Surcharge for Each Meter Checked In or Out of Service
Scheduled	$27.50	$4.00	$8.50
Unscheduled	31.00	4.00	8.50

Applicability
12.2

The fees apply to meters set or examined at a customer's place of business or at a meter manufacturer's office. The surcharge must be paid in addition to the on-site fee.

13.0 MONEY ORDER

Per money order issued or service provided:

a. Postal military money order fee (issued by military facilities authorized by the Department of Defense): $0.30.

b. Domestic money order fee (issued at other post offices, including those with branches or stations on military installations): $0.80.

c. Inquiry fee (includes the issuance of a copy of a paid money order): $2.75.

14.0 PARCEL AIRLIFT (PAL)

Fee, in addition to the regular surface rate of postage and other fees:

Weight	Fee
Not more than 2 pounds	$0.40
Over 2 but not more than 3 pounds	0.75
Over 3 but not more than 4 pounds	1.15
Over 4 pounds	1.55

15.0 PERMIT IMPRINT

Application fee: $100.00.

16.0 POST OFFICE BOX SERVICE

For service provided as described in D910:

a. Deposit per key issued: $1.00.

b. Box fee per semiannual (6-month) period:

	Box Size and Fee				
Fee Group	1	2	3	4	5
A	$30.00	$46.00	$80.00	$151.00	$261.00
B	27.00	41.00	70.00	136.00	217.00
C	22.00	32.00	57.00	97.00	162.00
D	7.00	12.00	22.00	33.00	52.00
E	0.00	0.00	0.00	0.00	0.00

17.0 REGISTERED MAIL

The mailer must declare the full value of the article at the time of mailing and must pay the appropriate fee based on that value as shown below. Any article with value sent as registered mail is insured (up to a maximum indemnity of $25,000 per piece). Only mail of no value may be mailed as uninsured registered mail.

Insurance Status	Declared Value			Fee (in addition to postage and handling charge)	Handling Charge (in addition to postage and fee)
Without Insurance	$ .00			$6.00	None
With Insurance (for declared value)	$ 0.01	to	100.00	6.20	None
	100.01	to	500.00	6.75	None
	500.01	to	1,000.00	7.30	None
	1,000.01	to	2,000.00	7.85	None
	2,000.01	to	3,000.00	8.40	None
	3,000.01	to	4,000.00	8.95	None
	4,000.01	to	5,000.00	9.50	None
	5,000.01	to	6,000.00	10.05	None
	6,000.01	to	7,000.00	10.60	None
	7,000.01	to	8,000.00	11.15	None

Insurance Status	Declared Value			Fee (in addition to postage and handling charge)	Handling Charge (in addition to postage and fee)
	8,000.01	to	9,000.00	11.70	None
	9,000.01	to	10,000.00	12.25	None
	10,000.01	to	11,000.00	12.80	None
	11,000.01	to	12,000.00	13.35	None
	12,000.01	to	13,000.00	13.90	None
	13,000.01	to	14,000.00	14.45	None
	14,000.01	to	15,000.00	15.00	None
	15,000.01	to	16,000.00	15.55	None
	16,000.01	to	17,000.00	16.10	None
	17,000.01	to	18,000.00	16.65	None
	18,000.01	to	19,000.00	17.20	None
	19,000.01	to	20,000.00	17.75	None
	20,000.01	to	21,000.00	18.30	None
	21,000.01	to	22,000.00	18.85	None
	22,000.01	to	23,000.00	19.40	None
	23,000.01	to	24,000.00	19.95	None
	24,000.01	to	25,000.00	20.50	None
With Insurance (maximum insurance liability: $25,000.00)	$25,000.01	to	$1,000,000.00	$20.50	$0.55 per $1,000 or fraction over first $25,000.
	$1,000,000.01	to	$15,000,000.00	$556.75	$0.55 per $1,000 or fraction over first $1,000,000.
	$15,000,000.01	or	more	$8,256.75	Amount determined by Postal Service based on weight, space, and value.

18.0 RESTRICTED DELIVERY

Fee, in addition to postage and other fees, per mailpiece: $2.75.

19.0 RETURN RECEIPT

Fee, in addition to postage and other fees, per mailpiece:

Type	Fee
Requested at time of mailing (showing to whom delivered, signature, date of delivery, and addressee's address, if different)	$1.25
Requested after mailing (showing only to whom and date delivered)	7.00

20.0 RETURN RECEIPT FOR MERCHANDISE

Fee, in addition to postage and other fees, per mailpiece:

Type	Fee
Requested at time of mailing (showing to whom delivered, signature, date of delivery, and addressee's address, if different)	$1.40
Delivery record	7.00

21.0 SPECIAL HANDLING

Fee, in addition to postage and other fees, per mailpiece:

Weight	Fee
Not more than 10 pounds	$5.40
More than 10 pounds	7.50

BILLING CODE 7710–12–C

S Special Services

S000 Miscellaneous Services

S010 Indemnity Claims

* * * * *

2.0 GENERAL FILING INSTRUCTIONS

2.1 Who May File

[Insert new 2.1d to read as follows:]

A claim may be filed by:

* * * * *

d. Only the sender, for bulk Insured service mail.

2.2 When to File

[Amend the chart to add the following:]

Mail type or service	When to file (from mailing date)	
	No sooner than	No later than
Bulk Insured	30 days ...	6 months
* *	* *	*

* * * * *

2.11 Payable Claim

[Amend 2.11a and add new 2.11n to read as follows:]

Insurance for loss or damage to insured, registered, or COD mail within the amount covered by the fee paid or within the indemnity limits for Express Mail as explained in 2.12 is payable for the following:

a. Actual value of lost articles at the time and place of mailing (see 2.11n for bulk insured articles).

* * * * *

n. For bulk insured articles, indemnity is provided for the lesser of (1) the actual value of the article at the time of mailing, or (2) the wholesale cost of the contents to the sender.

* * * * *

2.13 Payment

[Amend 2.13 to read as follows:]

The USPS does not make payment for more than the actual value of the article (or, for bulk insurance, the wholesale cost of the contents to the sender if a lesser amount) nor make payment for more than the maximum amount covered by the fee paid.

* * * * *

4.0 ADJUDICATION

4.1 Initial

[Amend 4.1 to read as follows:]

The St. Louis Accounting Service Center (ASC) adjudicates and pays or disallows all domestic claims except the initial adjudication of domestic unnumbered insured claims that are not bulk insured service and those appealed under 4.3. Domestic unnumbered insured claims, except for bulk insured service, are adjudicated and paid locally at the post office accepting the claims.

* * * * *

[Insert new 6.0 to read as follows:]

6.0 BULK INSURED CLAIMS

Mailers authorized to mail at bulk insured rates under S913 will receive instructions for filing claims from their postmaster or designee, including specific claim numbers to be used when filing claims. At some time in the future, electronic filing of indemnity claims will become mandatory. Prior to mandatory electronic claims filing, customers will be provided with the format instructions for the new electronic (soft copy) of Form 3877, Firm Mailing Book for Accountable Mail, and instructions for electronic filing of indemnity claims.

* * * * *

S070 Mixed Classes

1.0 BASIC INFORMATION

[Amend 1.1 and 1.2 to read as follows:]

1.1 Priority Mail Drop Shipment

For a Priority Mail drop shipment, enclosed First-Class Mail may be sent certified or special handling; enclosed Standard Mail (B) may be sent special handling. Enclosed mail, regardless of class, may not be sent registered, insured, or collect on delivery (COD). No special services may be given to the Priority Mail segment of the drop shipment.

1.2 Special Handling

A combination mailpiece sent as a Standard Mail (B) parcel may be sent using special handling; only one special handling fee is charged for the parcel.

* * * * *

S900 Special Postal Services

S910 Security and Accountability

S911 Registered Mail

* * * * *

2.0 FEES AND LIABILITY

* * * * *

2.3 Postal Insurance

[Amend 2.3 to read as follows:]

Postal insurance is provided for articles with a value of at least $0.01 up to a maximum insured value of $25,000. Insurance is included in the fee. Postal insurance is not available for articles with no value ($0.00).

* * * * *

S913 Insured Mail

1.0 BASIC INFORMATION

1.1 Description

[Amend 1.1 to add a reference to the bulk insurance discount read as follows:]

Retail insured mail provides up to $5,000 indemnity coverage for a lost, rifled, or damaged article, subject to the standards for the service and payment of the applicable fee. A bulk insurance discount is available for insured articles entered by authorized mailers who meet the criteria in 3.0. No record of insured mail is kept at the office of mailing. Insured mail service provides the sender with a mailing receipt. For mail insured for more than $50, a delivery record is kept at the post office of address. Insured mail is dispatched and handled in transit as ordinary mail.

1.2 Eligible Matter

[Amend 1.2 to read as follows:]

The following types of mail matter may be insured:

a. Standard Mail (B).

b. Standard Mail matter mailed at the First-Class Mail or Priority Mail rates (i.e., is not matter described in E110 as required to be mailed as First-Class Mail). Sealed matter must be endorsed ''Standard Mail Enclosed'' in addition to the First-Class Mail or Priority Mail endorsement.

c. Official government mail endorsed ''Postage and Fees Paid.''

1.3 Ineligible Matter

[Insert new 1.3f and 1.3g to read as follows:]

The following items may not be insured:

* * * * *

f. Matter mailed at Standard Mail (A) rates.

g. Matter mailed at First-Class Mail rates (including Priority Mail) that consists of items described in E110 as required to be mailed at the First-Class rates.

* * * * *

[Renumber current 3.0 as 4.0 and insert new 3.0 to read as follows:]

3.0 ADDITIONAL REQUIREMENTS—BULK INSURANCE

3.1 Eligibility

To mail at the bulk insured service rates, mailers must obtain an authorization under 3.2 and must meet the following criteria:

a. Enter mailings of insured articles under an approved manifest mailing system agreement.

b. Mail a minimum of 10,000 insured articles annually. To meet the minimum volume requirement, mailers may total all insured articles mailed at multiple locations.

c. Provide a hard copy of Form 3877, Firm Mailing Book for Accountable Mail, or facsimile and a copy of Form 3877 on a disk or other electronic medium.

d. Effective at a future date, provide a soft (electronic) copy of Form 3877, Firm Mailing Book for Accountable Mail, in a new, approved format.

3.2 Authorization

Mailers must apply for authorization to mail at the bulk insured service rates through their local postmaster or designee by completing the customer portion of the Bulk Insured Service (BIS) verification form. The postmaster or designee will verify on this form that the mailer meets the requirements in 3.1. If the mailer does not meet the requirements, the application will be denied. If the mailer meets the requirements in 3.1, the postmaster or designee will certify on the Bulk Insured Service (BIS) verification form that the mailer qualifies and forward the form to the manager of Claims Processing at the St. Louis Accounting Service Center (ASC). After reviewing the information, St. Louis will notify the postmaster of their concurrence of the application and provide a range of claim numbers to be used by the mailer for filing claims. The postmaster or designee will then provide the customer with the approval of the application and with information needed to file claims, including the assigned claim numbers. At a future date, electronic filing of indemnity claims will become mandatory. Prior to mandatory electronic claims filing, customers will be provided with the format instructions for the new electronic (soft copy) of Form 3877, Firm Mailing Book for Accountable Mail, and instructions for electronic filing of indemnity claims.

* * * * *

S915 Return Receipt

1.0 BASIC INFORMATION

1.1 Description

[Clarify 1.1 to read as follows:]

Return receipt service provides a mailer with evidence of delivery (to whom the mail was delivered and date of delivery). A return receipt also supplies the recipient's actual delivery address if it is different from the address used by the sender. A return receipt may be requested before or after mailing.

* * * * *

2.0 OBTAINING SERVICE

2.1 At Time of Mailing

[Correct the first sentence by changing ''Form 3811 or marking the mail'' to ''Form 3811 and marking the mail'' as follows:]

The mailer may request the service at the time of mailing by using Form 3811 and marking the mail with the appropriate endorsement in 1.3. * * *

* * * * *

S917 Return Receipt for Merchandise

1.0 BASIC INFORMATION

* * * * *

1.2 Availability

[Amend 1.2 to delete ''Single-Piece Standard Mail'' as follows:]

The service is available only for merchandise sent at the Priority Mail or Standard Mail (B) (Parcel Post, Bound Printed Matter, Special Standard Mail, or Library Mail) rates. This service may not be used on international mail.

1.3 Additional Services

[Amend 1.3 to delete ''Single-Piece Standard Mail'' and add ''Priority Mail'' as follows:]

Special handling is available for Priority Mail, Parcel Post, Bound Printed Matter, Special Standard Mail, or Library Mail, subject to payment of the applicable fee.

* * * * *

[Add new S918 as follows:]

S918 [Reserved]

S920 Convenience

S921 Collect on Delivery (COD) Mail

1.0 BASIC INFORMATION

* * * * *

1.2 Eligible Matter

[Amend 1.2 by removing ''Single-Piece Standard Mail'' to read as follows:]

COD service may be used for Express Mail, First-Class Mail, Priority Mail, and Standard Mail (B) (Parcel Post, Bound Printed Matter, Special Standard Mail, and Library Mail) if:

* * * * *

S922 Business Reply Mail (BRM)

1.0 BASIC INFORMATION

* * * * *

[Delete 1.5 and renumber current 1.6 as 1.5]

2.0 PERMITS

* * * * *

[Delete 2.2. Renumber current 2.3 through 2.8 as 2.2 through 2.7.]

3.0 POSTAGE AND FEES

3.1 Permit Fee

[Amend 3.1 to read as follows:]

An annual BRM permit fee is charged each 12-month period.

* * * * *

[Replace current 3.4 with new 3.4 to read as follows:]

3.4 Charges

a. Postage. The applicable First-Class Mail or Priority Mail postage on each returned piece is collected from the addressee on delivery. A lower rate of First-Class Mail postage applies to QBRM (R100).

b. Fee Per Piece. The applicable BRM fee must be collected for each returned piece of BRM in addition to the applicable single-piece First-Class Mail or Priority Mail postage. Lower piece fees apply to mail paid through a BRM advance deposit account and to QBRM pieces (R900).

c. Improperly Prepared QBRM. The appropriate non-QBRM First-Class Mail postage plus the non-QBRM per piece fee is charged for:

(1) Business reply cards and letters returned under QBRM that were rejected by USPS barcode sorters and found not to meet the standards for QBRM.

(2) QBRM pieces with an incorrect barcode (e.g., a barcode representing the card rate on a letter-size piece).

[Delete current 3.5 and renumber current 3.6 through 3.11 as 3.5 through

3.10, respectively. Amend renumbered 3.6 to read as follows:]

3.6 Cash or Postage Due

Payment may be paid in cash or by a regular postage-due account. The applicable BRM fee is collected, but no business reply accounting fee is charged when a regular postage-due account is used (P011). A postage-due account does not qualify the BRM for the lower per-piece charge given to permit holders with a business reply account.

3.7 Account Use

[Amend renumbered 3.7c and 3.7d to read as follows:]

A BRM advance deposit account must be used only for payment of postage and fees on BRM, subject to these conditions:

* * * * *

c. When a permit holder with a business reply account desires a separation of charges, payment of a business reply accounting fee is required for each separate billing prepared. If a business reply accounting fee is not paid for each separation, the permit holder pays the appropriate non-QBRM First-Class Mail postage, plus for each separation the per-piece charge applicable to any mailer without a business reply account.

d. A sufficient balance must be maintained in the permit holder's advance deposit account for BRM. The permit holder is notified if funds are insufficient. After 3 days, if no funds are deposited, BRM on hand is charged at the fee for postage due or cash transactions.

* * * * *

3.8 Single Item

[Amend renumbered 3.8 to read as follows:]

Except for QBRM, two or more BRM pieces may be mailed as a single piece if the BRM pieces are identically addressed and prepared in accordance with C100. BRM postage-due calculations are based on the total weight of the piece and the appropriate First-Class Mail or Priority Mail postage plus the BRM per-piece charge for one piece. If the combined pieces become separated, BRM postage and fee charges are calculated for each piece.

* * * * *

4.0 FORMAT

* * * * *

4.3 Print Reflectance

[Amend 4.3 to read as follows:]

All ink colors are acceptable if the piece meets the appropriate reflectance standards in C830 and C840.

* * * * *

4.8 Delivery Address

[Amend 4.8 to read as follows:]

Unless printed on an address label or on an insert for a window envelope under 6.0, the complete address (including the permit holder's name, street address and/or post office box number, city, state, and ZIP Code) must be printed directly on the piece, subject to these conditions:

a. For pieces distributed under QBRM, the address must include a unique ZIP+4 code that is preassigned for the BRM piece and that identifies the type of BRM, the applicable rate, and the individual permit holder (see E150).

b. Preprinted labels with only delivery address information (including a ZIP+4 barcode under 5.0) are permitted for addressing BRM, but the permit holder's name must still be printed directly on the BRM. Permit holders are liable for the postage and fees on BRM returned with improper addressing.

c. The bottom line of the address must not be lower than 5/8 inch or higher than 2–1/4 inches from the bottom edge of the piece. A clear margin void of any extraneous matter (except for the horizontal bars specified in 4.9) of at least 1 inch is required between the left and right edges of the piece and the address.

* * * * *

f. A company logo is permitted on prebarcoded BRM if placed no lower than 5/8 inch from the bottom edge of the piece and is permitted on nonbarcoded BRM if placed no lower than the top of the street address or the post office box line of the address. The logo must not interfere with any required business reply endorsements.

* * * * *

5.0 PREBARCODED BRM

[Delete current 5.1 through 5.7, and insert new 5.1 through 5.3 to read as follows:]

5.1 General Format Standards

Prebarcoding of BRM is optional except for letter-size BRM enclosed in automation rate mailings and for QBRM. Prebarcoded BRM must meet all general format standards in 4.0, the applicable barcoding standards in C840, the mailpiece design requirements in C810 (except the envelope basis weight requirements in 7.1), and these standards:

a. An envelope or any mailpiece formed by an outer sheet or sheets sealed on all four edges must be prepared from paper with a minimum basis weight of 20 pounds (measured weight for 500 17 by 22-inch sheets).

b. FIM C must be used (see C100).

c. The ZIP+4 codes and barcodes assigned to the BRM permit holder by the USPS must be used. Delivery point barcodes are not permitted on BRM.

d. Except as provided in e, the ZIP+4 barcode must be placed on the address side of the piece and positioned in either of these two locations:

(1) As part of the delivery address block under C840 if printed on an insert placed in a window envelope or on an address label affixed directly to the piece.

(2) Within the barcode clear zone in the lower right corner of the piece if printed directly on the piece or if printed on an insert or a label affixed to an insert and placed in an envelope with a lower right barcode window under C840.

e. Until January 10, 2001, mailers may continue to use existing stocks of prebarcoded BRM envelopes and cards with barcodes in the lower right corner that:

(1) Have a barcode clear zone with a left boundary that is 4½ inches from the right edge of the piece (not 4¾ inches as required in C840).

(2) Have a lower right barcode for which the leftmost bar is located between 3¼ and 4 inches from the right edge of the piece (not between 3½ and 4¼ inches as required under C840).

(3) Have a lower right barcode window, that has a left boundary measuring 4½ inches from the right edge of the piece (not 4¾ inches as required under C840).

f. Mailers have until January 10, 2001, to comply with C810.2.1c(2) that requires pieces measuring more than 4¼ inches high or 6 inches long, or both to measure at least 0.009 inch thick. Until January 10, 2001, such pieces need only meet the minimum thickness of 0.007 inch.

5.2 Samples

Mailers are encouraged to submit preproduction samples of BRM to the USPS for approval.

5.3 Error Notification

If the USPS discovers a BRM format error, the responsible permit holder or authorized permit user receives written notification of the error and applicable specification. The permit holder must correct the error and make sure that all future BRM pieces distributed by any means meet appropriate specifications. The repeated distribution of BRM with a format error, as determined by the

USPS, is grounds for revoking a business reply permit. To obtain a new permit after a BRM permit is revoked for not following BRM format specifications, a former permit holder must complete a new application on Form 3615, pay the required BRM permit fee, pay a new business reply accounting fee if applicable, and submit two samples of each BRM format to the appropriate post office for approval for the next 2-year period.

[Replace 6.0 with the following:]

6.0 MAILPIECE CHARACTERISTICS

6.1 Paper Weight

Paper envelopes used for BRM must have a minimum basis weight of 20 pounds (500 17- by 22-inch sheets). Other pieces must meet the basis weight requirements in C810.

6.2 Nonpaper Envelopes

USPS Engineering must approve nonpaper envelopes for mailability.

6.3 Reflectance

BRM pieces must meet the reflectance requirements in C830. In addition, envelope material must not have a red fluorescence exceeding 4.0 phosphor meter units.

6.4 Sealing and Edges

Any BRM piece is nonmailable if sealed with wax, clasps, string, staples, or buttons; if all edges are not straight; or if the piece is not rectangular.

6.5 Window Envelope

The following standards apply to BRM prepared in a window or open-panel envelope:

a. The pieces must meet the standards in C830 for envelopes with an address windows and inserts.

b. The endorsement ''NO POSTAGE NECESSARY IF MAILED IN THE UNITED STATES,'' horizontal bars, FIM, and the legend ''BUSINESS REPLY MAIL'' must be printed directly on the address side of the envelope. Other required elements, including ''FIRST-CLASS MAIL PERMIT NO.,'' city, state, ''POSTAGE WILL BE PAID BY ADDRESSEE,'' and the permit holder's name and complete delivery address, may appear either on the enclosure in the window or be printed directly on the envelope.

c. The address showing through the window must be that of the permit holder or an authorized agent/dealer.

6.6 BRM Self-Mailer

Self-mailers must be at least 0.007 inch thick, not more than 0.25 inch thick, and meet the requirements for sealing and folding self-mailers in C810.4.0 and C810.7.2. Self-mailers must contain instructions to the user for sealing and folding, so that on return the self-mailer will meet the applicable sealing and folding requirements in C810. Barcoded self-mailers, including QBRM pieces also must meet the requirements in 5.0.

6.7 BRM Card

A BRM card must be rectangular, not less than 3½ by 5 inches or more than 4¼ by 6 inches, and of uniform thickness not less than 0.007 inch or more than 0.016 inch to qualify for the card postage rate. Any card larger than those dimensions is mailable but is charged at the First-Class Mail rate for matter other than cards. Additional standards in 5.0 and C810 apply to prebarcoded BRM, including QBRM.

6.8 BRM Label

The following standards apply to BRM labels:

a. For other than letter-size pieces, the minimum size of a label with the legend ''Business Reply Label'' is 2 inches high and 3 inches long. It is not necessary to print FIMs or barcodes on these labels, but all other BRM format standards must be met.

b. For letter-size envelopes, the minimum size of a label with the legend ''Business Reply Label'' is 2⅝ inches high and 4¼ inches long. A FIM must be printed on the label. The label must be coated with a permanent adhesive strong enough to firmly attach the label to an envelope. The labels must meet the standards in 4.8 and 4.9 except that the series of horizontal bars on labels must be at least ¾-inch high.

c. For letter-size envelopes, the permit holder must supply the user with instructions describing how the label should be applied to an envelope and what precautions must be observed when applying the label (see Exhibit 6.8). A pictorial diagram showing proper placement of the label must be included with the instructions. At a minimum, the instructions must include the following directions:

(1) Place the label squarely on the upper right corner of the envelope.

(2) Do not write on the envelope.

(3) Do not use a window envelope, an envelope that is less than 1 inch taller than the label, or an envelope with any printing other than the return address.

(4) Do not use the label on an envelope more than 4½ inches high.

(5) Do not use tape to affix the label.

d. The address must be printed in the address block, and the envelope with label affixed must meet applicable OCR readability standards in C830.

e. Business reply labels may not be distributed under QBRM.

[Renumber former Exhibit 6.10 as Exhibit 6.8.]

[Delete the entire contents of 7.0.]

S923 Merchandise Return Service

1.0 BASIC INFORMATION:

1.1 Description

[Delete the words ''Single-Piece Standard Mail'' in 1.1.]

* * * * *

1.3 Payment Guarantee

[Amend 1.3 for clarification and to eliminate return of articles at the single-piece Standard Mail (A) rate to read as follows:]

a. The permit holder guarantees payment of the proper postage and fees on all returned merchandise return service articles distributed under the permit holder's permit number. Charges are collected for each article as postage due at the time of delivery or from a centralized advance deposit account using Form 3582–C, Postage Due Invoice.

b. Articles are charged the required fees and the proper single-piece rate as follows:

(1) The Priority Mail, First-Class Mail, Bound Printed Matter, Special Standard, or Library Mail rate as marked on the label.

(2) If no rate marking appears on the label, pieces weighing less than 16 ounces are charged the applicable First-Class Mail or Priority Mail rates based on weight, and pieces weighing 16 ounces or more are charged the Parcel Post rate.

(3) See 1.12 for postage on articles received without a return address or a postmark.

* * * * *

1.11 Mailer Markings and Endorsements

[Revise 1.11 to read as follows:]

If the permit holder desires matter weighing 16 ounces or more to be returned at a rate other than Parcel Post, the permit holder must preprint the appropriate rate marking on the label. If the permit hold desires matter weighing 16 ounces or less to be returned at the Special Standard or Library Mail rates, or matter weighing 13 ounces or less to be mailed at the Priority Mail rates, the mailer must preprint the appropriate rate marking on the label. Otherwise, matter weighing 13 ounces or less will be returned at the First-Class Mail rates and matter weighing over 13 ounces and less than 16 ounces will be returned at the Priority Mail rates. It is recommended but not required that

matter to be returned at the First-Class Mail, Priority Mail, or Parcel Post rates bear the applicable preprinted marking ''First-Class'' or ''First-Class Mail,'' ''Priority Mail,'' or ''Parcel Post'' (or ''PP'').

1.12 No Return Address or Postmark

Articles received without a return address or postmark are charged the required fees and the proper single-piece rate as follows:

a. The Priority Mail, First-Class Mail, Bound Printed Matter, Special Standard, or Library Mail rate as marked on the label.

b. If no rate marking appears on the label, pieces weighing 13 ounces or less are charged the First-Class Mail rates, pieces weighing over 13 ounces and less than 16 ounces are charged the Priority Mail rates, and pieces weighing 16 ounces or more are charged the Parcel Post rates.

c. Zoned rates are calculated at zone 4.

* * * * *

3.0 POSTAGE AND FEES

* * * * *

3.2 Transaction Fee

[Change ''Standard Mail'' to ''Standard Mail (B)'' as follows:]

The applicable transaction fee is assessed for each item returned, in addition to single-piece Priority Mail, First-Class Mail, or Standard Mail (B) rate postage and as applicable, the fees for pickup or special services.

* * * * *

4.0 ADDITIONAL FEATURES

4.1 Insured Mail

[Amend 4.1 to read as follows:]

The permit holder may obtain insured mail service with direct merchandise return service but not with Priority Mail reshipment. The customer using a merchandise return label to return an article that does not have the appropriate postage due computation markings in 5.0 or the endorsement specified in 4.2 may not obtain insured mail service. Only Standard Mail matter (i.e., matter not required to be mailed at First-Class Mail rates under E110) returned at the Standard Mail (B) rates or First-Class Mail or Priority Mail rates may be insured. If the matter is to be returned as First-Class Mail or Priority Mail, the endorsement ''Standard Mail Enclosed'' must appear below the class of mail endorsement on the merchandise return label.

* * * * *

4.7 Special Handling

[Revise the last sentence to read as follows:]

* * * Special handling service is available only for articles returned at First-Class Mail, Priority Mail, or Standard Mail (B) rates.

* * * * *

4.10 Combining Special Services

[Amend 4.10 to read as follows:]

Standard Mail articles (i.e., matter not required to be mailed at First-Class Mail rates under E110) may be both insured and receive special handing if the permit holder meets the applicable standards.

Registered merchandise return pieces cannot receive any other special service.

* * * * *

5.0 FORMAT

* * * * *

5.6 Format Elements

* * * * *

[Revise 5.6c to read as follows:]

Format standards required for the merchandise return label are shown in Exhibit 5.6a, Exhibit 5.6b, and Exhibit 5.6c and described as follows:

* * * * *

c. Rate Marking. If the matter to be returned bears a rate marking as required or recommended under 1.11, the rate marking must be placed in the space to the right and above the ''Merchandise Return Label'' rectangle. The marking must be at least ¼-inch high and printed or rubber-stamped. Only the permit holder may apply this marking.

* * * * *

[Revise 5.6e(3) to read as follows:]

e. Registry Service. * * *

* * * * *

(3) The appropriate insurance endorsement, below the ''TOTAL POSTAGE AND FEES DUE'' entry: if matter returned has value ($0.01 or greater), ''REGISTERED MAIL SERVICE WITH POSTAL INSURANCE DESIRED BY PERMIT HOLDER''; if matter returned has no value ($0.00), ''REGISTERED MAIL SERVICE WITHOUT POSTAL INSURANCE DESIRED BY PERMIT HOLDER.''

* * * * *

S924 Bulk Parcel Return Service

* * * * *

2.0 PERMITS

2.1 Application Process and Participation

[Revise 2.1a and 2.1b to read as follows:]

To participate in BPRS, the mailer must make a written request to the postmaster at each post office where parcels are to be returned. The request must:

a. At a given delivery point, demonstrate receipt of 10,000 returned machinable parcels (originally mailed at Standard Mail (A) rates) during the previous 12 months, or

b. At a given delivery point, demonstrate a high likelihood of receiving a minimum of 10,000 returned machinable parcels (originally mailed at Standard Mail (A) rates) in the coming 12 months. * * *

* * * * *

2.2 Permit Renewal

[In the last two sentences change ''single-piece Standard Mail (A) rate'' to ''single-piece First-Class Mail or Priority Mail rate as appropriate for the weight of the piece.'']

* * * * *

S930 Handling

1.0 SPECIAL HANDLING

1.1 Description

[In 1.1 change ''E620'' to ''E630.'']

[Amend 1.2 through 1.4 to read as follows:]

1.2 Availability

Special handling service is available only for First-Class Mail, Priority Mail, and Standard Mail (B) (Parcel Post, Bound Printed Matter, Special Standard Mail, and Library Mail).

* * * * *

1.4 Bees and Poultry

Unless sent at the First-Class Mail or Priority Mail rates, special handling is required for parcels containing honeybees or baby poultry. Under C022.37, only queen honeybees may be shipped by aircraft. Check with your local post office for mailability prior to mailing honeybees other than queen honeybees at First-Class Mail or Priority Mail rates.

* * * * *

An appropriate amendment to 39 CFR 111.3 to reflect these changes will be published if the proposal is adopted.

Stanley F. Mires,

Chief Counsel, Legislative.

[FR Doc. 98–18271 Filed 7–13–98; 8:45 am]

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federal register

Tuesday
July 14, 1998

Part III

Department of the Treasury

Fiscal Service

31 CFR Parts 317, 321, 330, 359, and 360 Offering and Governing Regulations For United States Savings Bonds, Series I; Issuing and Paying Agents; and Payment; Final Rule

DEPARTMENT OF THE TREASURY

Fiscal Service

31 CFR Parts 317, 321, 330, 359, and 360

Offering and Governing Regulations for United States Savings Bonds, Series I; Issuing and Paying Agents; and Payment Under Special Endorsement

AGENCY: Bureau of the Public Debt, Fiscal Service, Department of the Treasury.

ACTION: Final rule.

SUMMARY: The Department of the Treasury (''Department'' or ''Treasury'') is publishing in final form new regulations providing an offering circular for United States Series I Savings Bonds, new regulations governing United States Series I Savings Bonds, and conforming amendments to existing regulations governing issuing and paying agents. The regulations provide for the public offering of new Treasury inflation-indexed savings bonds (''Series I'') by the Department. The regulations also set forth the provisions governing transactions in inflation-indexed savings bonds. In addition, this rule makes certain technical clarifications and conforming changes.

EFFECTIVE DATE: September 1, 1998.

ADDRESSES: Copies of this final rule are available for downloading from the Bureau of the Public Debt at the following World Wide Web address: <http://www.savingsbonds.gov> or may be obtained from the Bureau of the Public Debt, Division of Staff Services, 200 3rd St., Parkersburg, WV 26106–1328.

FOR FURTHER INFORMATION CONTACT: Wallace L. Earnest, Director, Division of Staff Services, at (304)480–6319 or by e-mail at <wearnest@bpd.treas.gov>; Edward C. Gronseth, Deputy Chief Counsel, at (304)480–5192 or by e-mail at <egronset@bpd.treas.gov>; or Dean A. Adams, Assistant Chief Counsel, Office of the Chief Counsel, at (304)480–5192 or by e-mail at <dadams@bpd.treas.gov>.

SUPPLEMENTARY INFORMATION:

I. Background

31 CFR Part 359, referred to as the offering circular, sets out the terms and conditions for the sale and issuance of United States Savings Bonds, Series I, by the Department of the Treasury to the public. 31 CFR Part 360, referred to as the governing regulations, sets out the terms and conditions governing transactions in United States Savings Bonds, Series I. Together, the offering circular and governing regulations represent comprehensive and exclusive statements of those terms and conditions.

The regulations in 31 CFR part 317 (also referred to as Department of the Treasury Circular, Public Debt Series No. 4–67, Second Revision, as amended), 31 CFR part 321 (also referred to as Department of the Treasury Circular No. 750, Fourth Revision, as amended), and 31 CFR Part 330 (also referred to as Department of the Treasury Circular No. 888, Fifth Revision, as amended), are being amended to incorporate changes relating to Series I.

The Department has decided to offer a new type of savings bond, referred to as an inflation-indexed or Series I savings bond, whose rate will be adjusted for inflation as described below. The Department believes the issuance of these new inflation-indexed savings bonds will reduce borrowing costs to the Treasury over the long term, will broaden the types of debt instruments available to investors, and will make available to all investors a security whose value is tied generally to changes in inflation. This new series of savings bonds contains terms relating to the use of the U.S. City Average All Items Consumer Price Index for All Urban Consumers (''CPI-U''), published by the Bureau of Labor Statistics (''BLS'') to measure inflation, that potential investors should review closely.

Because these savings bonds contain terms different from savings bonds previously issued by the Department, the interested investor is urged to read ''Investment Considerations'' set forth in the ''Summary of Significant Features'', Paragraph (24), and § 359.3.

II. Summary of Significant Features

Offering Regulations (31 CFR part 359), Governing Regulations (31 CFR part 360)

(1) Availability (§ 359.0)

The public will be able to purchase Series I bonds over-the-counter at many financial institutions and through employers who choose to offer Series I bonds through payroll savings plans.

(2) Denominations (§ 359.2(b))

Series I bonds will be offered at par value in denominations of $50, $75, $100, $200, $500, $1,000, $5,000, and $10,000. Issuance of Series I bonds at par value is different from Series EE bonds, which are issued at a 50% discount to par value (or face amount). Thus, it will cost $50 to purchase a $50 Series I bond, and $25 for a $50 Series EE bond.

(3) Purchase Limitation (§ 359.5)

The amount of Series I bonds which may be purchased in the name of any one person, in any one year, is limited to $30,000 (par value) per social security account number.

(4) Transferability (§§ 360.15, 360.16)

Series I bonds will not be transferable, negotiable, or available for pledge or use as collateral, except as specifically provided in the regulations.

(5) Exchange

Series I bonds will not be available for exchange for other series of savings bonds.

(6) Rate Announcements (§ 359.2(e)(1)(i))

Rates applicable to Series I bonds will be set forth in rate announcements published each May and November. If the regularly scheduled date for the announcement (for example, May 1) is a day when the Treasury is not open for business, then the announcement will be made on the next business day; however, the effective date of the rates will remain the first day of the month of the announcement.

(7) Fixed Rate of Return (§ 359.2(e)(1)(i),(ii))

The Secretary of the Treasury shall determine fixed rates of return for Series I savings bonds. The Department's rate announcements effective each May 1 and November 1 will reflect the Secretary's determination of the fixed rate of return for bonds purchased during the six-month period beginning with the effective date of the announcement. For example, a fixed rate reflected in the May 1, 1999, announcement will apply to any Series I bond purchased in the period May through October 1999. The fixed rate of return applicable at the time a Series I bond is issued will apply to such bond throughout its 30-year life. Accordingly, the Department's rate announcements each May and November will not affect the fixed rates established for bonds previously issued.

(8) Semiannual Inflation Rate (§ 359.2(e)(1)(iii))

Each May and November, Treasury will announce a variable semiannual inflation rate for inflation-indexed savings bonds. The index used to determine this rate will be the non-seasonally adjusted U.S. City Average All Items Consumer Price Index for All

Urban Consumers (''CPI–U'') published by the Bureau of Labor Statistics (''BLS'') of the U.S. Department of Labor. (§ 359.3 of the Series I offering regulations sets forth index contingencies for determining an inflation component if the CPI–U is not available.) More specifically, the rate will reflect the percentage change in the CPI–U during the six-month period ending each March and September. For example, the semiannual inflation rate to be announced May 1, 1999, will reflect the change in the index over the period October 1998 through March 1999. The semiannual inflation rate will be reflected in a Series I bond's value beginning on that bond's next semiannual interest period following the announcement. For a complete discussion of this lag feature, see paragraph (24)(b) below.

The rate of change over the six-month period will be expressed as a percentage, rounded to the nearest one hundredth of one percent. More specifically, using the above example, the semiannual inflation rate will equal the CPI–U value for the most recent March less the value for the preceding September with that difference then being divided by the CPI–U value for the preceding September and the result being multiplied by 100 to convert the rate to a percentage. The resulting rate will be rounded to the nearest one-hundredth of one percent. The semiannual inflation rate to be effective with the November announcement, reflecting the change in the CPI–U for the six-month period ending with the immediately preceding September, will be similarly determined. In deflationary conditions, the semiannual inflation rate may be negative to such an extent that it offsets or exceeds the fixed rate of return; however, the redemption value of a Series I bond for any particular month of payment will not be less than the value for the preceding payment month.

(9) Composite Rate (§ 359.2(e)(1)(v))

Series I bonds will accrue earnings based on both a fixed rate of return and the semiannual inflation rate. A single annual rate will be constructed to reflect the combined effects of the fixed rate of return and the semiannual inflation rate. The following formula demonstrates how the composite rate will be determined.

The fixed rate of return, FR, and the semiannual inflation rate, SIR, will be divided by 100 to remove the percentage format and then combined into a composite annual rate, CR, in accordance with the following formula:

$$CR = \{SIR + (FR \div 2) + [SIR \times (FR \div 2)]\} \times 2$$

The resulting annual rate will be converted to a percentage and rounded to the nearest one hundredth of one percent. The composite rates will be announced by Treasury each May and November, and will be derived from the semiannual inflation rate announced on the same date and the fixed rates of return applicable to Series I savings bonds.

(10) Deflation (§ 359.2(e)(1)(iii))

Negative as well as positive changes in the CPI–U will be used to calculate composite rates. In the event of deflation, the negative change in the CPI–U will reduce the composite rate. If deflation is such that it more than fully offsets the fixed rate of return and produces a negative composite rate, the composite rate will not be reduced below zero, *i.e.*, the redemption value of the bond will remain constant through the period and become the base for calculating earnings that may apply during the subsequent period.

(11) Base Denomination (§ 359.2(e)(1)(vi))

All value calculations are performed on a hypothetical denomination of $25 having a value at the beginning of the first semiannual rate period equal to the issue price of $25. The hypothetical denomination of $25 is used because all Series I bond denominations are divisible by $25. Redemption values for bonds of greater denominations are in direct proportion according to the ratio of denominations. For example, if the value of a hypothetical $25 denomination is $41.20—*i.e.*, $25.00 issue price plus $16.20 accrued interest—on the same redemption date, the value of a $50 bond bearing the same issue date is $41.20 × (50/25) or $82.40.

(12) Issue Date (§ 359.2(e)(1)(vii))

The issue date of a Series I bond is the first day of the month in which payment of the issue price is received by an authorized issuing agent. Thus, if an authorized issuing agent receives the issue price on the 20th of a month, the issue date is the first of the month.

(13) Redemption Value (§ 359.2(e)(1)(viii))

The redemption value of a bond is that amount that will be paid when the bond is redeemed.

(14) Accrual Date (§ 359.2(e)(1)(ix))

Earnings on a Series I bond, if any, accrue on the first day of each month. The redemption value of a bond does not change between accrual dates.

(15) Semiannual Rate Periods (§ 359.2(e)(1)(x))

Semiannual rate periods are the six-month periods beginning on the date of issue and on each semiannual anniversary of the date of issue to maturity.

(16) Maturity (§ 359.2 (c),(e)(1)(xi))

Series I bonds have a maturity period of 30 years, consisting of an original maturity period of 20 years and an automatic extension period of 10 years. The bonds have an interest paying life of 30 years after date of issue and cease to increase in value as of that date.

(17) Interest Rates and Monthly Accruals (§ 359.2(e)(2),(4))

Series I composite rates apply to earnings during the first semiannual rate period beginning on or after the effective date of the rate. Interest, at the composite rate from the beginning of the initial semiannual rate period, accrues according to the formula specified in § 359.2(e)(4)(ii). The following table shows, for any given month of issue with composite rates announced each May and November, the months making up the semiannual rate period during which interest is earned at the composite rate specified in the announcement.

Month of issuance	Semiannual rate period (1) begins	Announcement date of composite rate that applies during rate period (1)	Semiannual rate period (2) begins	Announcement date of composite rate that applies during rate period (2)
January	January 1	November 1 (announced 2 months prior to beginning of semiannual rate period).	July 1	May 1 (announced 2 months prior to beginning of semiannual rate period).
February	February 1	November 1 (announced 3 months prior to beginning of semiannual rate period).	August 1	May 1 (announced 3 months prior to beginning of semiannual rate period).

Month of issuance	Semiannual rate period (1) begins	Announcement date of composite rate that applies during rate period (1)	Semiannual rate period (2) begins	Announcement date of composite rate that applies during rate period (2)
March	March 1	November 1 (announced 4 months prior to beginning of semiannual rate period).	September 1	May 1 (announced 4 months prior to beginning of semiannual rate period).
April	April 1	November 1 (announced 5 months prior to beginning of semiannual rate period).	October 1	May 1 (announced 5 months prior to beginning of semiannual rate period).
May	May 1	May 1	November 1	November 1.
June	June 1	May 1 (announced 1 month prior to beginning of semiannual rate period).	December 1	November 1 (announced 1 month prior to beginning of semiannual rate period).
July	July 1	May 1 (announced 2 months prior to beginning of semiannual rate period).	January 1	November 1 (announced 2 months prior to beginning of semiannual rate period).
August	August 1	May 1 (announced 3 months prior to beginning of semiannual rate period).	February 1	November 1 (announced 3 months prior to beginning of semiannual rate period).
September	September 1	May 1 (announced 4 months prior to beginning of semiannual rate period).	March 1	November 1 (announced 4 months prior to beginning of semiannual rate period).
October	October 1	May 1 (announced 5 months prior to beginning of semiannual rate period).	April 1	November 1 (announced 5 months prior to beginning of semiannual rate period).
November	November 1	November 1	May 1	May 1.
December	December 1	November 1 (announced 1 month prior to beginning of semiannual rate period).	June 1	May 1 (announced 1 month prior to beginning of semiannual rate period).

Notes: Notwithstanding any consideration of interest penalty for early redemption, interest earned during each month of a semiannual rate period accrues according to the formula specified in § 359.2(e)(4)(ii). Also, if the regularly scheduled date for a composite rate announcement is a day that Treasury is not open for business, the announcement will be made on the next business day; however, the effective date of the rate will be the first day of the month of the announcement.

See also the discussion of inflation lag in paragraph (24)(b) below.

(18) Redemption (§ 359.2(d))

A Series I bond may be redeemed beginning six months after its issue date or at any time thereafter. The Secretary of the Treasury may not call a Series I bond for redemption prior to an original maturity period of 20 years and an automatic extension period of 10 years, for a total period of 30 years from its issue date.

(19) Interest Penalty (§ 359.2(e)(3))

A Series I bond may be redeemed beginning six months after issuance, although a bond redeemed less than five years from the date of issue will be subject to a three-month interest penalty. If a Series I bond is redeemed less than five years following the date of issue, the overall earning period from the date of issue to the date of redemption will be reduced by three months. For example, if a bond issued on January 1, 1999, is redeemed nine months later on October 1, 1999, the redemption value will be determined by applying the value calculation procedures described in § 359.2(e)(4) and the Series I bond composite rate for that bond as if the redemption date were three months earlier (July 1, 1999). The redemption value of a bond subject to the three-month interest penalty will not be reduced below the issue price. This penalty does not apply to bonds redeemed five years or more after the date of issue. For a discussion of interest penalty, see paragraph (24)(d) below.

(20) Redemption Value Calculations (§ 359.2(e)(4))

Interest on a bond accrues and becomes part of the redemption value which is paid when the bond is surrendered for payment. The redemption value of a bond for the accrual date (the first day of each month) is determined in accordance with § 359.2(e)(4). Redemption value calculations will provide for monthly increases in bond values, with all values calculated using the formula in § 359.2(e)(4), and will take into account a three-month loss of earnings for bonds held less than five years from date of issue.

(21) The Secretary's Determination (§ 359.2(e)(5))

The determination by the Secretary of the Treasury, or the Secretary's designee, of fixed rates of return, semiannual inflation rates, composite rates, and savings bond redemption values shall be final and conclusive.

(22) Tables of Redemption Values (§ 359.2(e)(6))

Tables of redemption values are made available in various formats and media, including on the Internet, by the Bureau of the Public Debt, Parkersburg, West Virginia 26106–1328. Treasury reserves the right to cease making the tables of redemption values available in any of these formats or media. Redemption values published in such tables reflect the three-month interest penalty applied to bonds redeemed prior to five years from the date of issue.

(23) Taxation (§§ 359.9, 359.10)

The increase in value, represented by the difference between the face or par amount of a Series I bond and the redemption value received for it, is interest. Thus, earnings produced by the composite rate (which consists of both the fixed rate and the semiannual inflation rate) are treated as interest. Interest earned on Series I bonds is exempt from State and local income taxes. Series I bond interest will be included on Federal tax returns in the same way as Series EE bonds. In general, owners may defer reporting the increment for Federal income tax purposes until: (i) they redeem the bonds, (ii) the bonds cease earning interest after 30 years, or (iii) are otherwise disposed of, whichever is

earlier. However, an owner may elect to accrue the increment each year it is earned. Thus, if an investor takes no action, the gain is deferred until the first of the three events described above occurs. Only if an investor affirmatively acts by making such an election will the increase in value be includable in income annually. The current special tax benefits available for education savings with EE bonds purchased after 1989 will apply to Series I bonds. If a taxpayer qualifies under current rules and the bonds are redeemed to pay for post-secondary tuition and fees, he or she can exclude all or part of the interest (the difference between the redemption value and face value) earned on Series I bonds from income for that tax year. Authoritative information about the Education Savings Bond Program can be found in Internal Revenue Service Publication 17, ''Your Federal Income Tax'', and Publication 550, ''Investment Income and Expenses.''

(24) Investment Considerations (§§ 359.2, 359.3)

(a) Index Contingencies (§ 359.3(a))

This section clarifies the Treasury's course of action if the CPI is: discontinued, or, in the judgment of the Secretary, either fundamentally altered in a manner materially adverse to the interests of an investor in the savings bond or altered by legislation or Executive Order in a manner materially adverse to the interests of an investor in the savings bond.

A change to the CPI would be considered fundamental if it affected the character of the CPI. Technical changes made by the BLS to the CPI to improve its accuracy as a measure of the cost of living would not be considered fundamental changes. Technical changes include, but are not limited to: (1) The specific items (e.g., apples or major appliances) to be priced for the index; (2) the way individual price quotations are aggregated to construct component price indices for these items (aggregation of item sub-strata); (3) the method for combining these component price indices to obtain the comprehensive, all-items CPI (aggregation of item strata); and (4) the procedures for incorporating new goods into the index and making adjustments for quality changes in existing goods.

Technical changes to the CPI previously made or announced by BLS include introducing probability sampling to select the precise items for which prices are collected and the stores in which collection takes place, and changing the way in which price movements of major components, such as shelter costs for homeowners in the early 1980s and medical care costs beginning in 1997, are measured.

The Advisory Commission to Study the Consumer Price Index (the Boskin Commission) made a number of recommendations to improve the calculation of changes in the cost of living. Some of these recommendations were directed to BLS and were designed to improve the calculation of the monthly CPI. These recommendations, if and to the extent implemented by BLS, would constitute technical changes rather than fundamental changes.

The Boskin Commission also recommended construction of an annual measure of the cost of living as a supplement to the monthly CPI. Development and use of such a supplement, by itself, would not change the monthly CPI itself. While the Boskin Commission did not suggest that such a measure replace the CPI, a decision by BLS to replace, rather than supplement, the current monthly CPI with an annual measure of consumer prices, would constitute a fundamental change.

In addition, if the Secretary determines that the CPI is altered by legislation or Executive Order in a manner that is materially adverse to the interests of an investor in the savings bond, the Secretary would propose an alternative index.

If the CPI for a particular month is not reported by the last day of the following month, the last CPI that has been reported (including any revision of a previously reported CPI number) will be used to calculate CPI numbers for months for which the CPI has not been reported for such day.

(b) Inflation Lag (§ 359.3(b))

The inflation rate component of investor earnings will be determined twice each year. This rate will be the percentage change in the CPI–U for the six months ending each March and September. The rate will be included in the composite rate that is announced each May and November. Each composite rate will be effective for the entirety of all semiannual rate periods that begin while the rate is in effect. Thus, notwithstanding any interest penalty, an inflation rate may affect interest accruals from 3 to 13 months from the date that the CPI–U is measured.

For example, the inflation rate determined from the CPI–U for the six-month period from October 1, 2003, through March 31, 2004, will be included in the composite rate announced on May 1, 2004. For a bond purchased in May 1999, this rate will go into effect immediately with the new semiannual rate period for this bond beginning on May 1, 2004. Series I bonds issued in May begin new semiannual rate periods in the months of May and November. In this example, the inflation rate will have its earliest impact in June 2004, when interest from May accrues, three months after the end of the six-month CPI–U period that ended March 31, 2004.

As another example, the May 1, 2004, rate will apply similarly to a bond purchased in October 1999. Series I bonds issued in October begin new semiannual rate periods in the months of April and October. Thus, for this bond, the May 1, 2004, composite rate (which includes the fixed rate applicable when the bond was purchased in October 1999 and the inflation rate announced on May 1, 2004) will not go into effect until a new semiannual rate period starts on October 1, 2004. This rate, therefore, will determine the inflation-indexed portion of each interest accrual from November 2004 through April 2005. In this example, the inflation rate will have its latest impact in April 2005, 13 months after the end of the six-month CPI–U period that ended March 31, 2004.

(c) Liquidity (§ 359.2(d), (e)(3))

A Series I bond may not be redeemed until six months after its issue date. However, a bond redeemed less than five years from the date of issue will be subject to a three-month interest penalty.

(d) Early Redemption Penalty (§ 359.2(e)(3))

If a Series I bond is redeemed less than five years following the date of issue, the overall earning period from the date of issue will be reduced by three months. For example, if a bond issued January 1, 1999, is redeemed nine months later on October 1, 1999, the redemption value will be determined by applying the value calculation procedures described in § 359.2(e)(4) and the Series I bond composite rate for that bond as if the redemption date were three months earlier (July 1, 1999). The redemption value of a bond subject to the three-month interest penalty shall not be reduced below the issue price. This penalty does not apply to bonds redeemed five years or more after the date of issue.

III. Section-by-Section Summary

This final rule provides for the sale and issuance of, and the governing of transactions in, Series I savings bonds. This rule also amends Parts 317, 321

and 330, relating to issuing and paying agents of savings bonds, to incorporate changes to accommodate the processing of Series I savings bonds. The regulations also contain changes designed to reduce operating costs and provide for increased efficiency, without any reduction in the level of service to bondowners and financial institutions serving as financial agents.

Part 359, Offering of United States Savings Bonds, Series I

(1) Section 359.0 provides that the offering for sale of Series I savings bonds is effective September 1, 1998.

(2) Section 359.1 cross-references the regulations governing transactions in Series I savings bonds.

(3) Section 359.2 describes Series I savings bonds in terms of denominations, issue prices, maturity period, redemption features, determination of the composite rate, and redemption value calculations.

(4) Section 359.3 describes investment considerations, to include CPI index contingencies, the inflation lag factor, liquidity, and the early redemption penalty.

(5) Section 359.4 sets out general provisions regarding the registration and issuance of Series I savings bonds.

(6) Section 359.5 sets the limitation on annual purchases at $30,000 issue price per person determined by social security account number.

(7) Section 359.6 provides for the purchase of Series I savings bonds through payroll plans, over-the-counter/mail, bond-a-month plans, and various employee plans.

(8) Section 359.7 describes mail deliveries of Series I savings bonds.

(9) Section 359.8 sets out general provisions for the payment or redemption of Series I savings bonds by financial institutions and Federal Reserve Banks and Branches.

(10) Section 359.9 sets out various provisions regarding the taxation of Series I savings bonds.

(11) Section 359.10 briefly describes the education savings bond program feature of Series I savings bonds.

(12) Section 359.11 authorizes the Commissioner of the Public Debt to convert definitive Series I savings bonds to book-entry.

(13) Section 359.12 authorizes the Commissioner of the Public Debt to refuse to issue Series I savings bonds under certain circumstances.

(14) Section 359.13 authorizes the Commissioner of the Public Debt to waive or modify any provision of these regulations if certain conditions are met.

(15) Section 359.14 sets out the Federal Reserve Banks and Branches that provide savings bond services in the various geographic areas.

(16) Section 359.15 describes the Secretary of the Treasury's authority to supplement or amend this offering at any time.

Part 360, Regulations Governing United States Savings Bonds, Series I

(17) Section 360.0 provides that these regulations govern transactions in Series I savings bonds.

(18) Section 360.1 sets out the Federal Reserve Banks and Branches that process savings bond transactions in the various geographic areas.

(19) Section 360.2 contains the specific definitions of terms used in the governing regulations.

(20) Section 360.5 provides that the registration of a Series I savings bond is conclusive of ownership. It also sets out registration forms and gift bond inscriptions.

(21) Section 360.6 describes the authorized forms of registration, including single ownership, coownership, and beneficiary.

(22) Section 360.7 provides that the issuance of Series I savings bonds in a chain letter or pyramid scheme is prohibited.

(23) Section 360.10 specifies the annual purchase limitations for individuals and employee plans.

(24) Section 360.11 sets out the computation of purchase amounts by taxpayer identifying number.

(25) Section 360.12 provides for the adjustment of excess purchases.

(26) Section 360.13 sets out conditions of eligibility for various employee plans.

(27) Section 360.15 provides that Series I savings bonds are non-transferable and are only payable to the owners named on the bonds.

(28) Section 360.16 provides that Series I savings bonds may not be pledged or used as security for the performance of an obligation.

(29) Section 360.20 sets out restrictions on the recognition of judicial proceedings pertaining to Series I savings bonds.

(30) Section 360.21 sets out the procedures for making payment to judgment creditors.

(31) Section 360.22 provides for payment or reissue pursuant to divorce.

(32) Section 360.23 sets out the evidence necessary to establish the validity of judicial proceedings.

(33) Section 360.24 provides for payment procedures pursuant to judicial or administrative forfeiture.

(34) Section 360.25 provides for the recognition of claims for lost, stolen, or destroyed bonds.

(35) Section 360.26 sets out the claims procedures after an investor has received a bond.

(36) Section 360.27 sets out the claims procedures when an investor has not received a bond.

(37) Section 360.28 provides for the recovery of bonds. A bond for which relief has been granted is the property of the United States.

(38) Section 360.29 provides for the handling of claims filed 10 years after payment of the bond or 10 years after maturity.

(39) Section 360.35 sets out general provisions for the payment of Series I savings bonds.

(40) Section 360.36 provides for payment during an owner's lifetime.

(41) Section 360.37 provides for payment to either coowner.

(42) Section 360.38 provides for payment to the registered owner of a bond on which a beneficiary is named.

(43) Section 360.39 sets out general procedures for the surrender of Series I savings bonds for payment.

(44) Section 360.40 sets out special provisions for the payment of Series I savings bonds.

(45) Section 360.41 provides for partial redemption of a Series I savings bond.

(46) Section 360.42 provides that notice should be given to the paying agency if the payment remittance is not received or has been lost.

(47) Section 360.43 establishes the date upon which the rights of the parties are fixed for the purpose of payment.

(48) Section 360.44 provides for the withdrawal of a request for payment by an owner, coowner, or legal representative.

(49) Section 360.45 sets out the conditions for reissue.

(50) Section 360.46 establishes the date upon which the rights of the parties are fixed for the purpose of reissue.

(51) Section 360.47 provides for reissue under limited circumstances, to include divorce.

(52) Section 360.48 provides that reissue may not be made solely to change denominations or eliminate the United States Treasury as coowner.

(53) Section 360.49 provides that reissue may be made to correct an error in registration.

(54) Section 360.50 provides that reissue may be made pursuant to a legal change of name.

(55) Section 360.51 provides that, under certain specified circumstances, a request for reissue of a coowner bond must be made by both coowners, while a bond registered in beneficiary form may be reissued at the request of the owner without the consent of the beneficiary.

(56) Section 360.55 sets out who is authorized to certify a request for payment, reissue or a signature to a Public Debt form.

(57) Section 360.56 provides general instructions and sets out the liability of certifying officers.

(58) Section 360.57 explains when a certifying officer may not certify requests.

(59) Section 360.58 specifies when forms are to be certified.

(60) Section 360.60 provides for payment to the representative of the estate of an owner who is a minor or incompetent.

(61) Section 360.61 provides for payment to the representative after the ward has died.

(62) Section 360.62 provides for payment to a minor.

(63) Section 360.63 provides for payment to a parent or other person on behalf of a minor.

(64) Section 360.64 provides for payment to or the reinvestment of bonds by a voluntary guardian on behalf of an owner incapable of making the request, and for whom no legal representative has been appointed.

(65) Section 360.65 specifies the conditions under which a bond owned by a minor or person under legal disability may be reissued.

(66) Section 360.70 sets out the rules governing entitlement for single owner, coowner, and beneficiary bonds, upon the death of one or both of the registrants, without the bond having been surrendered for payment or reissue.

(67) Section 360.71 provides for the payment or reissue of bonds to the legal representative of a deceased bondowner's estate.

(68) Section 360.72 sets out procedures for the payment or reissue of bonds that are the property of a decedent's estate.

(69) Section 360.75 provides for payment or reissue during the existence of a fiduciary estate.

(70) Section 360.76 provides for payment or reissue after termination of a fiduciary estate.

(71) Section 360.90 authorizes the Commissioner of the Public Debt to waive or modify any provision of the regulations if certain conditions are met.

(72) Section 360.91 provides that the Commissioner of the Public Debt may require additional evidence or a bond of indemnity as he deems necessary for the protection of the United States.

(73) Section 360.92 sets out the Secretary of the Treasury's authority to supplement or amend the Series I savings bond regulations at any time.

IV. Procedural Requirements

This final rule does not meet the criteria for a ''significant regulatory action'' pursuant to Executive Order 12866. Therefore, the regulatory review procedures contained therein do not apply.

This final rule relates to matters of public contract and procedures for U.S. securities. The notice and public procedures requirements of the Administrative Procedure Act are inapplicable, pursuant to 5 U.S.C. 553(a)(2).

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

There is no new collection of information contained in this final rule, and, therefore, the Paperwork Reduction Act (44 U.S.C. 3507) does not apply.

List of Subjects

31 CFR Parts 317, 321, 330

Banks, banking, Bonds.

31 CFR Parts 359 and 360

Bonds, Federal Reserve System, Government securities, Securities.

Dated: July 8, 1998.

Donald V. Hammond,

Acting Fiscal Assistant Secretary.

For the reasons set forth in the preamble, 31 CFR Chapter II, Subchapter B, is amended as follows:

PART 317—REGULATIONS GOVERNING AGENCIES FOR ISSUE OF UNITED STATES SAVINGS BONDS

1. The authority citation for part 317 is revised to read as follows:

Authority: 2 U.S.C. 901; 5 U.S.C. 301; 12 U.S.C. 391; 31 U.S.C. 3105.

2. Section 317.0 is revised to read as follows:

§ 317.0 Purpose and effective date.

The regulations in this part govern the manner in which an organization may qualify and act as an agent for the sale and issue of Series EE and Series I United States Savings Bonds.

3. In § 317.1, paragraph (d) is revised to read as follows:

§ 317.1 Definitions

* * * * *

(d) *Offering circular* refers to Department of the Treasury Circular, Public Debt Series No. 1–80, current revision, for Series EE savings bonds, and to Department of the Treasury Circular, Public Debt Series No. 1–98 for Series I bonds.

* * * * *

§ 317.8 [Amended]

4. Subpart A, Paragraph 1 of the Appendix to § 317.8 is revised to read as follows:

Appendix to § 317.8—Remittance of Sales Proceeds and Registration Records, Department of the Treasury Circular, Public Debt Series No. 4–67, Second Revision (31 CFR Part 317) Fiscal Service, Bureau of the Public Debt

Subpart A—General Information

1. *Purpose.* This appendix is issued for the guidance of organizations qualified as issuing agents of Series EE and I United States Savings Bonds under the provisions of Department of the Treasury Circular, Public Debt Series No. 4–67, current revision. Its purpose is to supplement the provisions of § 317.8 of the Circular relating to the remittance of savings bond sales proceeds and registration records, including the interest charge to be collected for late remittances.

* * * * *

5. Subpart D, Paragraph 1. of the Appendix to § 317.8 is revised to read as follows:

* * * * *

Subpart D—Interest on Late Remittances

1. *Rate of Interest.* Interest will be assessed for each day's delay in the remittance of sales proceeds, based on the actual date of remittance. The rate of interest to be used will be the current value of funds to the Department of the Treasury, as set forth each quarter in the Treasury Financial Manual. The rate applied will be that in effect during the entire period in which the remittance is late. The interest assessment will be collected by the designated Federal Reserve Bank.

* * * * *

6. Section 317.9 is amended by removing paragraph (b)(2), by redesignating paragraph (b)(1) as paragraph (b), and by revising the entry for the Federal Reserve Bank of Minneapolis in the table in newly designated paragraph (b) to read as follows:

§ 317.9 Role of the Federal Reserve Banks.

* * * * *

(b) * * *

Servicing office	Reserve districts served	Geographic area served
* *	*	* *
Federal Reserve Bank of Minneapolis, 90 Hennepin Avenue, Minneapolis MN 55401.	Minneapolis, Chicago.	IA, IL (northern half), IN (northern half), MI, MN, MT, ND, SD, WI.

Servicing office	Reserve districts served	Geographic area served
* * * * *		

PART 321—PAYMENTS BY BANKS AND OTHER FINANCIAL INSTITUTIONS OF UNITED STATES SAVINGS BONDS AND UNITED STATES SAVINGS NOTES (FREEDOM SHARES)

7. The authority citation for part 321 is revised to read as follows:

Authority: 2 U.S.C. 901; 5 U.S.C. 301; 12 U.S.C. 391; 31 U.S.C. 3105, 3126.

8. In § 321.0, paragraphs (a) and (b) are revised to read as follows:

§ 321.0 Purpose

* * * * *

(a) United States Savings Bonds of Series A, B, C, D, E, EE, and I, and United States Savings Notes (Freedom Shares), presented for cash payment; and

(b) Eligible Series E and EE savings bonds and savings notes presented for redemption in exchange for Series HH savings bonds under the provisions of Department of the Treasury Circular, Public Debt Series No. 2–80 (31 CFR part 352).

9. In § 321.1, paragraph (o) is revised to read as follows:

§ 321.1 Definitions.

* * * * *

(o) *Security* means a United States Savings Bond of Series A, B, C, D, E, EE, or I and/or a United States Savings Note (Freedom Share).

* * * * *

10. In § 321.3, paragraph (c) is revised to read as follows:

§ 321.3 Procedure for qualifying and serving as paying agent.

* * * * *

(c) *Announcement of authority.* Upon receipt of a certificate of qualification from a Federal Reserve Bank referred to in § 321.25, a financial institution may announce or advertise its authority to redeem eligible securities for cash and to process eligible Series E and EE savings bonds and savings notes presented for redemption in exchange for Series HH savings bonds under the provisions of Department of the Treasury Circular, Public Debt Series No. 2–80 (31 CFR part 352).

* * * * *

11. Section 321.6 is revised to read as follows:

§ 321.6 General.

Securities are issued only in registered form (subject to 31 CFR 359.11), are not transferable, may not be hypothecated or used as collateral for a loan, and, except as otherwise specifically provided in the governing regulations and this part, are payable to the owner or coowner named on the security. The regulations governing Series EE and HH bonds are contained in Department of the Treasury Circular, Public Debt Series No. 3–80, current revision (31 CFR part 353); those governing Series I bonds are contained in Department of the Treasury Circular, Public Debt Series No. 2–98 (31 CFR part 360); and, those governing all other series of U.S. savings securities are contained in Department of the Treasury Circular No. 530, current revision (31 CFR part 315).

12. In § 321.7, paragraphs (a) and (g) are revised to read as follows:

§ 321.7 Authorized cash payments.

(a) *General.* Subject to the terms and conditions appearing on the securities, the governing regulations, and the provisions of this part, and any instructions issued in connection therewith, an agent may make payment of savings bonds of Series A, B, C, D, E, EE, and I, and savings notes, presented for cash redemption. Except as provided in paragraphs (b) through (d), and (f) of this section, the securities must be presented by an individual whose name is inscribed on the securities as owner or coowner, and who is known to the agent, or who can establish his or her identity in accordance with Treasury instructions and guidelines (See § 321.11(b)).

* * * * *

(g) *Interest reporting.* A paying agent is required to report interest in the amount of $10 or more, paid as part of the redemption value of securities, to the payee and to the Internal Revenue Service, in accordance with 26 CFR 1.6049–4. (See Item 26 of the appendix to this part for information concerning the education feature of Series EE savings bonds issued on or after January 1, 1990, and of Series I savings bonds.)

13. In § 321.9, paragraph (a) is revised to read as follows:

§ 321.9 Specific limitations on payment authority.

* * * * *

(a) If it is a Series EE bond or a Series I bond presented for payment prior to six months from its issue date.

* * * * *

14. Section 321.12 is revised to read as follows:

§ 321.12 Redemption value of securities.

The redemption value of each savings security is determined by the terms of its offering and the length of time it has been outstanding. The Bureau of the Public Debt determines redemption values for Series A–E bonds, eligible Series EE and I bonds, and savings notes, that should be used in redeeming savings securities.

15. Section 321.25 is amended by removing paragraph (b)(2), by redesignating paragraph (b)(1) as paragraph (b), and by revising the entry for the Federal Reserve Bank of Minneapolis in the table in newly designated paragraph (b) to read as follows:

§ 321.25 Role of Federal Reserve Banks.

* * * * *

(b) * * *

Servicing office	Reserve districts served	Geographic area served
* *	*	* *
Federal Reserve Bank of Minneapolis, 90 Hennepin Avenue, Minneapolis MN 55401.	Minneapolis, Chicago.	IA, IL (northern half), IN (northern half), MI, MN, MT, ND, SD, WI.
* *	*	* *

16. The appendix heading and paragraphs 2(a) and 2(b) of Subpart A of the appendix to part 321 are revised to read as follows:

Appendix to Part 321—Appendix to Department of the Treasury Circular No. 750, Fourth Revision

* * * * *

Subpart A—General Information

* * * * *

2. * * *

(a) *Offering circulars.* Department of the Treasury Circulars, Public Debt Series Nos. 1–80 (31 CFR part 351, Series EE bonds), 2–80 (31 CFR part 352, Series HH bonds), 1–98 (31 CFR part 359, Series I bonds), and 3–67 (31 CFR part 342, savings notes), and Department of the Treasury Circulars Nos. 653 (31 CFR part 316, Series E bonds) and 905 (31 CFR part 339, Series H bonds).

(b) *Regulations.* Department of the Treasury Circular, Public Debt Series No. 3–80 (Series EE and HH bonds); Department of the Treasury Circular, Public Debt Series 2–98 (Series I bonds); Department of the Treasury Circulars

Nos. 530 (all other series of savings securities) and 888 (special endorsements); Federal Tax Regulations (26 CFR 1.6049); Federal Claims Collection Standards (4 CFR parts 101–105); Regulation J, Collection of Checks and Other Items and Wire Transfers of Funds (12 CFR part 210); and operating circulars issued by Federal Reserve Banks relating to the collection of cash items and Federal payments by ACH.

* * * * *

17. Subpart C, paragraph 7(a) and 10(a), of the appendix to part 321 are revised to read as follows:

* * * * *

Subpart C—Scope of Authority

7. * * *

(a) *General.* [§ 321.7(a)] The general authority of paying agents to redeem savings securities for cash extends to Series A, B, C, D, E, EE, and I bonds and savings notes presented by the owner, coowner, surviving beneficiary, parent on behalf of a minor, legal representative designated in the registrations of savings securities presented, or legal representative of the last deceased registrant's estate. The presenter must sign the requests for payment and establish his or her identity and, in the case of a beneficiary, parent or legal representative of the last deceased registrant's estate, entitlement to request payment.

* * * * *

10. * * *

(a) *Requirements for redeeming securities.* [§ 321.10(a)] A paying agent shall redeem eligible savings securities during its regular business hours for a presenter who establishes his or her identity as the owner or coowner of the securities, in accordance with this part and this appendix. While a paying agent is not required to redeem eligible Series E and EE savings bonds and savings notes in exchange for Series HH bonds for any presenter, or Series E, EE, or I bonds or savings notes for cash upon the request of a surviving beneficiary or legal representative, it is encouraged to do so, provided the presenter can establish his/her identity and provide acceptable evidence to accordance with this part and this appendix (See § 321.7 (d) and (f)). An agent is not required to redeem savings securities during Saturday and evening hours if it is open during such periods primarily as a service for its depositors.

* * * * *

18. Subpart D, paragraphs 13(a), 13 (b), 13(d), 14(d), 15 and 17(b) of the appendix to part 321 are revised to read as follows:

* * * * *

Subpart D—Payment and Transmittal of Securities

* * * * *

13. * * *

(a) *Redemption value tables.* [§ 321.12] The Bureau of the Public Debt distributes redemption values in various formats and as part of programs for personal computers, for: (1) Series E bonds, (2) Series EE bonds, (3) Series I bonds, and (4) savings notes. Additional tables or information may be requested from the appropriate Federal Reserve Bank referred to in § 321.25.

(b) *Use of tables.* [§ 321.12] Care should be exercised to correctly determine the current redemption value of the security presented for the month in which it is redeemed. Incorrect payments can lead to costly and time-consuming adjustments for the agent, Department of the Treasury, and the appropriate Federal Reserve Bank referred to in § 321.25.

* * * * *

(d) *Redemption-exchange.* [§ 321.12] The redemption values of eligible Series E and EE savings bonds and savings notes presented for exchange (Series I savings bonds are not eligible for exchange) for Series HH bonds shall be those payable in the month the agent accepts a correctly completed and signed exchange subscription, Public Debt Form 3253. The total redemption value of securities presented for exchange in any one transaction must be at least $500. If the redemption value is $500 or an even multiple thereof, Series HH bonds must be requested in that exact amount. If the redemption value exceeds $500, but is not an even multiple of that amount, the presenter may add cash to increase the amount of the subscription to the next higher $500 multiple, or reduce the amount of the subscription to the next lower $500 multiple. The maximum amount which may be added to or refunded in an exchange transaction is $499.99. For example, if the total redemption value of the securities is $4,253.33, the presenter may request no less than $4,000 and no more than $4,500 in Series HH bonds. In the first instance, the agent will pay the presenter $253.33; in the second, it will collect $246.67 when it accepts the exchange subscription.

14. * * *

(d) *Redemption-exchange.* [§ 321.13] Eligible Series E and EE savings bonds and savings notes presented for redemption-exchange shall be stamped ''PAID'' in the same manner as securities redeemed for cash, but only when all elements of the transaction have been completed, including receipt of any additional cash. The exact date of redemption shall also be recorded on the exchange subscription to enable the appropriate Federal Reserve Bank referred to in § 321.25 to establish the proper issue date for the Series HH bonds. An officer or other authorized employee of the agent shall also sign the exchange subscription, in his or her official capacity, and furnish other requested information that identifies the paying agent.

* * * * *

15. *Transmittal of securities to Federal Reserve Bank.* [§ 321.14] An agent shall transmit and receive settlement for redeemed securities via EZ CLEAR, *i.e.*, the Check Department of a Federal Reserve Bank or Branch or the Regional Check Processing Center. Redeemed securities may be transmitted in separately sorted or mixed cash letters to the Check Department of a Federal Reserve Bank or Branch, or to a Regional Check Processing Center, either directly, or via a parent office or correspondent institution. An agent shall transmit redeemed securities under cover of the appropriate transmittal document. Eligible Series E and EE savings bonds and savings notes redeemed in exchange for Series HH bonds must be transmitted for settlement via EZ CLEAR at the same time as the exchange application (Public Debt Form 3253) and any additional cash needed to complete the transaction are forwarded to the Fiscal Agency Department of the servicing Federal Reserve Bank referred to in § 321.25. Eligible Series E and EE savings bonds and savings notes redeemed on exchange may be commingled with cash redemptions in mixed or separately sorted cash letters.

* * * * *

17. * * *

(b) *Composition of cash letters.* [§ 321.14] Series A, B, C, D, E, EE, and I bonds and savings notes redeemed for cash or eligible Series E and EE bonds and savings notes redeemed on exchange may be commingled in mixed cash letters containing commercial checks and other items or separately sorted cash letters containing only redeemed securities. Each cash letter shall also contain a listing prepared in accordance with the Federal Reserve Bank's instructions.

* * * * *

19. Subpart F, paragraph 23(e), of the Appendix to part 321 is revised to read as follows:

* * * * *

Subpart F—Forwarding Items

23. * * *

(e) *Partial redemption.* [§§ 321.9(l) and 321.22] Partial redemption of a security other than a $25 Series E bond or savings note, a $50 Series EE or I bond, or a $500 Series H or HH bond may be made by the appropriate Federal Reserve Bank referred to in § 321.25. The amount paid must be equal to the redemption value of one or more authorized denominations on the date of the transaction. If a security is received by an agent for partial redemption, the words ''to the extent of $ (face amount) and reissue of the remainder'' should be added to the first sentence of the request for payment. The request should then be completed in the regular manner and the signature of the presenter certified or guaranteed. The security shall be forwarded to the Fiscal Agency Department of a Federal Reserve Bank.

* * * * *

20. Subpart G, paragraph 26(a), of the Appendix to part 321 is revised to read as follows:

* * * * *

Subpart G—Miscellaneous Provisions

* * * * *

26. * * *

(a) Section 6009 of the Technical Corrections and Miscellaneous Revenue Act of 1988, Public Law 100–647 (see 26 U.S.C. 135), permits taxpayers to exclude all, or a portion, of the interest earned on Series EE savings bonds bearing issue dates on or after

January 1, 1990, and on Series I savings bonds from their income under certain conditions. This legislation did not create new savings bond redemption and interest reporting requirements for savings bond paying agents. However, if a bond owner indicates that he or she intends to seek the special tax treatment offered under this program, the paying agent is encouraged to provide assistance by:

(1) Suggesting that he or she read IRS Form 8815 (particularly, the instructions on the form) as well as relevant portions of IRS Publication 17, ''Your Federal Income Tax '', and Publication 550, ''Investment Income and Expenses,'' for detailed information; and

(2) Suggesting that the presenter make a record of eligible bonds redeemed either by using IRS Optional Form 8818, or otherwise.

* * * * *

PART 330—REGULATIONS GOVERNING PAYMENT UNDER SPECIAL ENDORSEMENT OF UNITED STATES SAVINGS BONDS AND UNITED STATES SAVINGS NOTES (FREEDOM SHARES)

21. The authority citation for part 330 is revised to read as follows:

Authority: 5 U.S.C. 301; 31 U.S.C. 3105.

22. In § 330.1, paragraph (f) is revised to read as follows:

§ 330.1 Definition of terms.

* * * * *

(f) *Savings bond(s)* or *bond(s)* means a United States Savings Bond of Series A, B, C, D, E, EE, or I.

* * * * *

23. In § 330.5, paragraph (a) is revised to read as follows:

§ 330.5 Evidence of owner's or beneficiary's authorization to affix special endorsement.

(a) *Form of authorization.* The Treasury does not prescribe the form or type of instructions an agent must obtain from each owner, co-owner or beneficiary in order to use the special endorsement procedure. In the case of eligible Series E and EE savings bonds and savings notes presented for a redemption-exchange, the owner, coowner or beneficiary authorized to request the exchange (as specified in Circular No. 750, § 321.8(b)), must sign the exchange subscription even though the eligible Series E and EE savings bonds and savings notes are specially endorsed.

* * * * *

24. In § 330.6, paragraph (a) is revised to read as follows:

(a) *General authority.* A qualified agent is authorized to affix the special endorsement to:

(1) Savings bonds of Series A, B, C, D, E, EE, and I and savings notes to be redeemed for cash; and

(2) Eligible savings bonds of Series E and EE and savings notes to be redeemed in exchange for Series HH bonds under the provisions of Circular No. 2–80 (31 CFR part 352).

* * * * *

25. Section 330.7 is revised to read as follows:

§ 330.7 Payment or redemption-exchange by agent.

Specially endorsed securities may be paid in cash or, if they are eligible Series E and EE savings bonds or savings notes, redeemed in exchange for Series HH bonds pursuant to the authority and subject, in all other respects, to the provisions of Circular No. 750, current revision (31 CFR part 321), its appendix, and any other instructions issued under its authority. Each specially endorsed bond or note paid by an agent must have the agent's payment stamp imprinted on its face and show the date and amount paid. Securities so paid should be combined with other securities paid under that Circular and presented for settlement through EZ CLEAR. Securities redeemed by an agent in an exchange must be presented for settlement through EZ CLEAR separately from, but at the same times as, an exchange subscription and any remittance are forwarded to the Fiscal Agency Department of the appropriate Federal Reserve Bank.

26. Section 330.8 is revised to read as follows:

§ 330.8 Payment or redemption-exchange by Federal Reserve Bank.

Specially endorsed securities which an agent is not authorized to redeem for cash or on exchange should be forwarded to the Fiscal Agency Department of the designated Federal Reserve Bank. The transmittals must be accompanied by appropriate instructions governing the transaction and the disposition of the redemption proceeds or new bonds, as the case may be. The securities must be kept separate from others the agent has paid and must be submitted in accordance with instructions issued by the Bank.

27. In § 330.9, paragraph (b)(2) is removed, paragraph (b)(1) is redesignated as paragraph (b) and the table in newly designated paragraph (b) is amended by revising the entry for the Federal Reserve Bank of Minneapolis to read as follows:

§ 330.9 Fiscal agents.

* * * * *

(b) * * *

Servicing office	Reserve districts served	Geographic area served
* *	*	* *
Federal Reserve Bank of Minneapolis, 90 Hennepin Avenue, Minneapolis MN 55401.	Minneapolis, Chicago.	IA, IL (northern half), IN (northern half), MI, MN, MT, ND, SD, WI.
* *	*	* *

28. Section 330.10 is revised to read as follows:

§ 330.10 Modifications of other circulars.

The provisions of this part shall be considered as amending and supplementing: Department of the Treasury Circulars Nos. 530, 653, and 750 (31 CFR parts 315, 316, and 321, respectively), and Department of the Treasury Circulars, Public Debt Series Nos. 1–80, 2–80, 3–80, 3–67, 1–98, and 2–98 (31 CFR parts 351, 352, 353, 342, 359, and 360 respectively), and any revisions thereof or amendments or supplements thereto, and those Circulars are hereby modified to the extent necessary to accord with the provisions of this part.

29. Part 359 is added to read as follows:

PART 359—OFFERING OF UNITED STATES SAVINGS BONDS, SERIES I

Sec.
359.0 Offering of bonds.
359.1 Governing regulations.
359.2 Description of bonds.
359.3 Investment considerations.
359.4 Registration and issue.
359.5 Limitation on purchases.
359.6 Purchase of bonds.
359.7 Delivery of bonds.
359.8 Payment or redemption.
359.9 Taxation.
359.10 Education savings bond program.
359.11 Reservation as to book-entry bonds.
359.12 Reservation as to issue of bonds.
359.13 Waiver.
359.14 Fiscal agents.
359.15 Reservation as to terms of offer.

Authority: 5 U.S.C. 301; 12 U.S.C. 391; 31 U.S.C. 3105.

§ 359.0 Offering of bonds.

The Secretary of the Treasury offers for sale to the people of the United States, United States Savings Bonds of Series I, hereinafter referred to as Series I bonds or bonds. This offer, effective September 1, 1998, will continue until terminated by the Secretary of the Treasury.

§ 359.1 Governing regulations.

Series I bonds are subject to the regulations of the Department of the Treasury, now or hereafter prescribed, governing United States Savings Bonds of Series I, contained in Department of the Treasury Circular, Public Debt Series No. 2–98 (31 CFR part 360), hereinafter referred to as Circular No. 2–98. Treasury expressly disclaims the effect of, and does not warranty the correctness of, any representations or warranties regarding Series I bonds, wherever made, that in any way conflict with the terms and conditions of Series I bonds, as set out in these regulations and other applicable law. The regulations in 31 CFR part 370 apply to transactions for the purchase of United States Savings Bonds issued through the Bureau of the Public Debt. The regulations in 31 CFR part 370 do not apply to transactions for the purchase of bonds through issuing agents generally, unless and to the extent otherwise directed by the Commissioner of the Bureau of the Public Debt or the Commissioner's designee.

§ 359.2 Description of bonds.

(a) *General.* Series I bonds are issued only in registered form (subject to § 359.11) and are non-transferable. The bonds may be either in book-entry or definitive form.

(b) *Denominations and prices.* Series I bonds are issued at par (face amount). The denominations and purchase prices are as follows:

Denomination	Purchase price
$ 50	$50.00
75	75.00
100	100.00
200	200.00
500	500.00
1,000	1,000.00
5,000	5,000.00
10,000	10,000.00

(c) *Term—maturity period.* The issue date of a Series I bond is the first day of the month in which the issue price is received by an authorized issuing agent. Series I bonds have a maturity period of 30 years, consisting of an original maturity period of 20 years and an automatic extension period of 10 years.

(d) *Redemption.* A Series I bond may be redeemed beginning six months after its issue date or at any time thereafter. The Secretary of the Treasury may not call a Series I bond for redemption prior to an original maturity period of 20 years and an automatic extension period of 10 years, for a total period of 30 years from its issue date.

(e) *Composite rates and redemption values.* (1) The following definitions apply for determining the composite rates and redemption values:

(i) *Rate announcements.* Rates applicable to Series I bonds will be furnished in rate announcements published each May 1 and November 1. If the regularly scheduled date for the announcement (for example, May 1) is a day when the Treasury is not open for business, then the announcement is made on the next business day; however, the effective date of the rates remains the first day of the month of the announcement.

(ii) *Fixed rate of return.* Each May and November the Secretary shall establish the fixed rate of return for Series I bonds issue-dated during the six-month period beginning on such date. Such fixed rate of return will be applicable for the life of the bond.

(iii) *Semiannual inflation rate.* Each May and November, Treasury will announce a variable semiannual inflation rate for Series I bonds. The index used to determine this rate will be the non-seasonally adjusted U.S. City Average All Items Consumer Price Index for All Urban Consumers (''CPI–U'') published by the Bureau of Labor Statistics (''BLS'') of the U.S. Department of Labor. The semiannual inflation rate to be effective with the May announcement will reflect the rate of change in the CPI–U for the six-month period ending with the immediately preceding March 31. The rate of change over the six-month period will be expressed as a percentage, rounded to the nearest one hundredth of one percent. More specifically, the semiannual inflation rate will reflect the CPI–U value for the most recent March less the value for the preceding September, that difference will then be divided by the CPI–U value for the preceding September, and the result will be multiplied by 100 to convert the rate to a percentage. The resulting rate will be rounded to the nearest one-hundredth of one percent. The semiannual inflation rate to be effective with the November announcement, reflecting the change in the CPI–U for the six-month period ending with the immediately preceding September, will be similarly determined. In certain deflationary conditions, the semiannual inflation rate may be negative to such an extent that it will offset the fixed rate of return. However, the redemption value of a Series I bond for any particular month will not be less than the value for the preceding month. (See § 359.3(b) for a discussion of the lag between when inflation is measured and when it is reflected in the value of a bond.)

(iv) *Index contingencies.* If a previously reported CPI–U is revised, Treasury will continue to use the previously reported CPI–U in calculating redemption values. If the CPI–U is rebased to a different year, Treasury will continue to use the CPI–U based on the base reference period in effect when the security was first issued, as long as that CPI continues to be published. If, while an inflation-indexed savings bond is outstanding, the applicable CPI–U is: discontinued, in the judgment of the Secretary, fundamentally altered in a manner materially adverse to the interests of an investor in the security, or in the judgment of the Secretary, altered by legislation or Executive Order in a manner materially adverse to the interests of an investor in the security, Treasury, after consulting with the Bureau of Labor Statistics (''BLS''), or any successor agency, will substitute an appropriate alternative index. Treasury will then notify the public of the substitute index and how it will be applied. Determinations of the Secretary in this regard will be final.

(v) *Composite rate.* (A) The fixed rate of return, FR, and the semiannual inflation rate, SIR, as determined in paragraphs (e)(1)(ii) and (iii) of this section are divided by 100 to remove the percentage format (*i.e.*, to convert to decimal form) and are then combined into a composite annual rate, CR, in accordance with the following formula:

$$CR = \{SIR + (FR \div 2) + [SIR \times (FR \div 2)]\} \times 2$$

(B) The resulting annual rate is converted to a percentage and is rounded to the nearest one-hundredth of one percent. The composite rates will be announced by Treasury each May and November, and will be derived from the semiannual inflation rate announced on the same date and the fixed rates of return applicable to Series I savings bonds.

(vi) *Base denomination.* All value calculations are performed on a hypothetical denomination of $25 having a value at the beginning of the first semiannual rate period equal to the issue price of $25. Redemption values for bonds of greater denominations are in direct proportion according to the ratio of denominations. For example, if the value of a hypothetical $25 denomination is $41.20—*i.e.*, $25.00 issue price plus $16.20 accrued interest—on the same redemption date, the value of a $50 bond bearing the same issue date is $41.20 × (50/25) or $82.40.

(vii) *Issue date.* The issue date of a Series I bond is the first day of the

month in which payment of the issue price is received by an authorized issuing agent.

(viii) *Redemption value.* The redemption value of a bond is that amount that will be paid when the bond is redeemed.

(ix) *Accrual date.* Earnings on a Series I bond, if any, accrue on the first day of each month. The redemption value of a bond does not change between these accrual dates.

(x) *Semiannual rate periods.* Semiannual rate periods are the six-month periods beginning on the date of issue and on each semiannual anniversary of the date of issue to maturity.

(xi) *Maturity.* Series I bonds have a maturity period of 30 years, consisting of an original period of 20 years and an automatic extension period of 10 years. The bonds have an interest paying life of 30 years after the date of issue and cease to increase in value as of that date.

(2) *Interest rates and monthly accruals.* Series I composite rates, defined in paragraph (e)(1)(v) of this section, apply to earnings during the first semiannual rate period beginning on or after the effective date of the rate. Interest, at the composite rate from the beginning of the semiannual rate period, accrues according to the formula specified in paragraph (e)(4)(ii) of this section. The following table shows, for any given month of issue with composite rates announced each May and November, the months making up the semiannual rate period during which interest is earned at the composite rate specified in the announcement:

Month of issuance	Semiannual rate period (1) begins	Announcement date of composite rate that applies during rate period (1)	Semiannual rate period (2) begins	Announcement date of composite rate that applies during rate period (2)
January	January 1	November 1 (announced 2 months prior to beginning of semiannual rate period).	July 1	May 1 (announced 2 months prior to beginning of semiannual rate period).
February	February 1	November 1 (announced 3 months prior to beginning of semiannual rate period).	August 1	May 1 (announced 3 months prior to beginning of semiannual rate period).
March	March 1	November 1 (announced 4 months prior to beginning of semiannual rate period).	September 1	May 1 (announced 4 months prior to beginning of semiannual rate period).
April	April 1	November 1 (announced 5 months prior to beginning of semiannual rate period).	October 1	May 1 (announced 5 months prior to beginning of semiannual rate period).
May	May 1	May 1	November 1	November 1.
June	June 1	May 1 (announced 1 month prior to beginning of semiannual rate period).	December 1	November 1 (announced 1 month prior to beginning of semiannual rate period).
July	July 1	May 1 (announced 2 months prior to beginning of semiannual rate period).	January 1	November 1 (announced 2 months prior to beginning of semiannual rate period).
August	August 1	May 1 (announced 3 months prior to beginning of semiannual rate period).	February 1	November 1 (announced 3 months prior to beginning of semiannual rate period).
September	September 1	May 1 (announced 4 months prior to beginning of semiannual rate period).	March 1	November 1 (announced 4 months prior to beginning of semiannual rate period).
October	October 1	May 1 (announced 5 months prior to beginning of semiannual rate period).	April 1	November 1 (announced 5 months prior to beginning of semiannual rate period).
November	November 1	November 1	May 1	May 1.
December	December 1	November 1 (announced 1 month prior to beginning of semiannual rate period).	June 1	May 1 (announced 1 month prior to beginning of semiannual rate period).

Notes: (1)Notwithstanding any consideration of the interest penalty for early redemption, interest earned during each month of a semiannual rate period accrues according to the formula specified in § 359.2(e)(4)(ii).

(2) Also, if the regularly scheduled date for a composite rate announcement is a day that Treasury is not open for business, the announcement will be made on the next business day; however, the effective date of the rate will be the first day of the month of the announcement.

(3) *Interest penalty for Series I bonds redeemed less than five years following the issue dates.* If a Series I bond is redeemed less than five years following the date of issue, the overall earning period from the date of issue will be reduced by three months. For example, if a bond issued January 1, 1999, is redeemed nine months later on October 1, 1999, the redemption value will be determined by applying the value calculation procedures described in paragraph (e)(4) of this section and the Series I bond composite rate for that bond as if the redemption date were three months earlier (July 1, 1999). The redemption value of a bond subject to the three-month interest penalty shall not be reduced below the issue price. This penalty does not apply to bonds redeemed five years or more after the date of issue.

(4) *Redemption value calculations.* (i) Interest on a bond accrues and becomes part of the redemption value which is paid when the bond is redeemed.

(ii) The redemption value of a bond for the accrual date (the first day of each month) is determined in accordance with this section and the following:

(A) Determine the composite rate as defined in paragraph (e)(1)(v) of this section. If the result of the composite rate calculation is a negative value, zero will be the assumed composite rate in the redemption value calculation. Redemption values are calculated using the following formula:

$$FV = PV \times \{[1 + (CR \div 2)]^{(m \div 6)}\}$$

Where:

FV (future value) = redemption value on the accrual date rounded to the nearest cent.

PV (present value) = value at the beginning of the semiannual rate period calculated without consideration of penalty. For bonds that are older than five years, PV will equal the redemption value at the start of the semiannual rate period.

CR = composite rate as defined in paragraph(e)(1)(v) of this section converted to decimal form by dividing by 100.

m = number of full calendar months elapsed during the semiannual rate period.

(B) The following hypothetical examples illustrate how this formula is applied:

(*1*) For a bond five years or older:

Example: i. Given a Series I bond composite rate of 5.02%, effective May 1, 2003, for a hypothetical bond denominated at $25, with an issue date of September 1, 1998, and a redemption value of $31.90 as of September 1, 2003, the February 1, 2004, redemption value is calculated as follows: bonds issue-dated in September have semiannual rate periods beginning each March 1 and September 1. The first semiannual rate period to begin on or after the date of the May 1, 2003, rate announcement composite rate would be the period beginning September 1, 2003. PV, the present value, $31.90, would be the redemption value of the bond at the beginning of the semiannual rate period (September 1, 2003). The composite rate, 5.02% converted to a decimal, would be 0.0502. The number of months, m, is five, since five full calendar months (September through January) have lapsed since the beginning of the semiannual rate period. FV, the redemption value (rounded to the nearest cent), is then the result of the formula:

$$FV = PV \times \{[1 + (CR \div 2)]^{(m \div 6)}\} \text{ where } FV = 31.90 \times \{[1 + (0.0502 \div 2)]^{(5 \div 6)}\} = \$32.57$$

ii. The redemption value for the actual denomination of a Series I bond can be determined by applying the appropriate multiple, for example: $32.57 x ($100.00 ÷ $25.00) for a bond with a $100.00 face amount; or $32.57 x ($1000.00 ÷ $25.00) for a bond with a $1000.00 face amount.

(*2*) For a bond less than five years old:

Example: i. Assume a composite rate of 5.07% effective May 1, 2003, for a bond denominated at $25.00, with an issue date of December 1, 2000, a redemption date of February 1, 2004, and a value on June 1, 2003, of $28.45, without consideration of penalty. A three-month penalty is assessed since the redemption date is less than five years after the issue date. The penalty is accounted for by assuming that the redemption date is three months earlier (November 1, 2003). The February 1, 2004, redemption value is then calculated as follows: bonds issue-dated in December have semiannual rate periods that begin each June 1 and December 1. The first semiannual rate period to begin on or after the May 1, 2003, rate announcement composite rate would be the period beginning June 1, 2003. PV, the present value, $28.45, is the value of the bond at the beginning of the semiannual rate period (June 1, 2003), without consideration of penalty. The composite rate, 5.07%, converted to a decimal, would be 0.0507. The number of months, m, is five, since five full calendar months (June through October) have elapsed since the beginning of the semiannual rate period and the redemption date (as adjusted for penalty). FV, the redemption value (rounded to the nearest cent), is then the result of the formula:

$$FV = PV \times \{[1 + (CR \div 2)]^{(m \div 6)}\} \text{ where } FV = \$28.45 \times \{[1 + (0.0507 \div 2)]^{(5 \div 6)}\} = \$29.05$$

ii. The redemption value for the actual denomination of a Series I bond can be determined by applying the appropriate multiple, for example: $29.05 x ($100.00 ÷ $25.00) for a bond with a $100.00 face amount; or $29.05 x ($1000.00 ÷ $25.00) for a bond with a $1000.00 face amount.

(5) *The Secretary's determination.* The determination by the Secretary of the Treasury, or the Secretary's designee, of fixed rates of return, semiannual inflation rates, composite rates, and savings bond redemption values shall be final and conclusive.

(6) *Tables of redemption values.* Tables of redemption values are made available in various formats and media, including on the Internet, by the Bureau of the Public Debt, Parkersburg, West Virginia 26106–1328. Treasury reserves the right to cease making the tables of redemption values available in any of these formats or media. Redemption values published in such tables reflect the three-month interest penalty applied to bonds redeemed prior to five years from the date of issue.

§ 359.3 Investment considerations.

(a) *Index contingencies.* (1) If a previously reported CPI is revised, Treasury will continue to use the previously reported CPI in calculating redemption values.

(2) If the CPI is rebased to a different year, Treasury will continue to use the CPI based on the base reference period in effect when the savings bond was first issued, as long as that CPI continues to be published.

(3) If, while a Series I savings bond is outstanding, the applicable CPI is discontinued, in the judgment of the Secretary, fundamentally altered in a manner materially adverse to the interests of an investor in the savings bond, or in the judgment of the Secretary, altered by legislation or Executive Order in a manner materially adverse to the interests of an investor in the savings bond, Treasury, after consulting with the Bureau of Labor Statistics, or any successor agency, will substitute an appropriate alternative index. Treasury will then notify the public of the substitute index and how it will be applied. Determinations of the Secretary in this regard will be final.

(4) If the CPI for a particular month is not reported by the last day of the following month, the Treasury will announce an index number based on the last 12-month change in the CPI available. Any calculations of the Treasury's payment obligations on the inflation-indexed savings bond that rely on that month's CPI will be based on the index number that Treasury has announced.

(b) *Inflation lag.* (1) The inflation rate component of investor earnings will be determined twice each year. This rate will be the percentage change in the CPI–U for the six months ending each March and September. The rate will be included in the composite rate that is announced each May and November. Each composite rate will be effective for the entirety of all semiannual rate periods that begin while the rate is in effect. Thus, an inflation rate may affect interest accruals from 3 to 13 months from the date that the CPI–U is measured.

(2) For example, the inflation rate determined from the CPI–U for the six-month period from October 1, 2003, through March 31, 2004, will be included in the composite rate announced on May 1, 2004. For a bond purchased in May 1999, this rate will go into effect immediately, since a new semiannual rate period for this bond will begin on May 1, 2004. Series I bonds issued in May begin new semiannual rate periods in the months of May and November. In this example, the inflation rate will have its earliest impact in June 2004, when interest from May accrues, three months after the end of the six-month CPI–U period that ends March 31, 2004.

(3) As another example, the May 1, 2004, rate will apply similarly to a bond purchased in October 1999. Series I bonds issued in October begin new semiannual rate periods in the months of April and October. Thus, for this bond, the May 1, 2004, composite rate (which includes the inflation rate) will not go into effect until a new semiannual rate period begins on October 1, 2004. This rate, therefore, will determine the inflation-indexed portion of each interest accrual from November 2004 through April 2005. In this example, the inflation rate will have its latest impact in April 2005, 13 months following the six-month CPI-U period that ended March 31, 2004.

(c) *Liquidity.* A Series I bond may be redeemed beginning six months after its issue date or at any time thereafter. However, a bond redeemed less than five years from its issue date will be

subject to a three-month interest penalty.

(d) *Early redemption penalty.* If a Series I bond is redeemed less than five years following the date of issue, the overall earning period from the date of issue will be reduced by three months. For example, if a bond issued January 1, 1999, is redeemed nine months later on October 1, 1999, the redemption value will be determined by applying the redemption value calculation procedures described in § 359.2(e)(4) and the Series I composite rate for that bond as if the redemption date were three months earlier (July 1, 1999). The redemption value of a bond subject to the three-month interest penalty shall not be reduced below the issue price. This penalty does not apply to bonds redeemed five years or more after the date of issue.

§ 359.4 Registration and issue.

(a) *Registration.* Bonds may be registered as set forth in 31 CFR part 360, subpart B, also published as Department of the Treasury Circular, Public Debt Series No. 2–98. Generally, bonds may be registered in the names of natural persons in single owner, coowner (for example: ''John Doe 123–45–6789 OR Mary Doe''), or beneficiary (''John Doe 123–45–6789 payable on death to (POD) Mary Doe'') forms of registration.

(b) *Validity of issue.* A bond is validly issued when it is registered as provided in Circular No. 2–98, and when it bears an issue date, as well as the validation indicia of an authorized issuing agent.

(c) *Taxpayer Identifying Number (TIN).* The inscription of a bond must include the TIN of the owner or first-named coowner. If the bond is being purchased as a gift or award and the owner's TIN is not known, the TIN of the purchaser must be included in the inscription on the bond.

(d) *Prohibition on chain letters.* The issuance of bonds in the furtherance of a chain letter or pyramid scheme is against the public interest and is prohibited. An issuing agent is authorized to refuse to issue a bond or accept a purchase order if there is reason to believe that a purchase is in connection with a chain letter. The agent's decision is final.

§ 359.5 Limitation on purchases.

The amount of Series I bonds which may be purchased in the name of any one person, in any one calendar year, is limited to $30,000 par value. Circular No. 2–98 (31 CFR part 360, subpart C) contains the rules governing the computation of amounts and the special limitation for employee plans.

§ 359.6 Purchase of bonds.

(a) *Payroll sales*—(1) *Payroll savings plans.* Bonds may be purchased through deductions from the pay of employees of organizations that maintain payroll savings plans. The bonds must be issued by an authorized issuing agent.

(2) *Employee thrift, savings, vacation, and similar plans.* Bonds registered in the names of employee plans may be purchased in book-entry form in authorized denominations through a designated Federal Reserve Bank after Bureau of the Public Debt approval of the plan as eligible for the special limitation under 31 CFR 360.13, also published as § 360.13 of Department of the Treasury Circular, Public Debt Series No. 2–98.

(b) *Over-the-counter sales*—(1) *Eligible issuing agents.* Bonds may be purchased through any issuing agent, except that an organization serving as an issuing agent because of its status as an employer or an organization operating an employer's payroll savings plan under 31 CFR 317.2(c) may sell bonds only through payroll savings plans.

(2) *Manner of sale.* An application for the purchase of a bond must be accompanied by a remittance to cover the issue price. The purchase application and remittance may be submitted to an issuing agent by any means acceptable to the issuing agent. An application may authorize purchases on a recurring basis. The issuing agent bears the burden of collection and the risk of loss for non-collection or return of the remittance.

§ 359.7 Delivery of bonds.

Issuing agents are authorized to arrange for the delivery of Series I bonds. Mail deliveries are made at the risk and expense of the United States to the address given by the purchaser, if it is within the United States, its territories or possessions, or the Commonwealth of Puerto Rico. No mail deliveries elsewhere will be made, except to residents of Mexico and Canada who participate in payroll saving plans. Bonds purchased by a citizen of the United States residing abroad will be delivered only to such address in the United States as the purchaser directs.

§ 359.8 Payment or redemption.

(a) *Incorporated banks, savings and loan associations and other financial institutions*—(1) *Payment in general.* A financial institution qualified as a paying agent under the provisions of 31 CFR part 321, also published as Department of the Treasury Circular No. 750, will pay the current redemption value of a Series I bond presented for payment by an individual whose name is inscribed on the bond as owner or coowner, provided:

(i) The bond is in order for payment; and

(ii) The presenter establishes his or her identity to the satisfaction of the agent, in accordance with Treasury instructions and identification guidelines, and signs and completes the request for payment.

(2) *Payment to beneficiary or legal representative.* A paying agent may (but is not required to) pay the current redemption value of a Series I bond upon the request of a beneficiary, if he or she survives the owner, or a legal representative designated in the bond registration by name and capacity, or a court-appointed representative of the last-deceased registrant's estate provided:

(i) The bond is in order for payment; and

(ii) The presenter establishes his or her identity to the satisfaction of the agent in accordance with Treasury instructions and identification guidelines, and otherwise complies with evidentiary requirements.

(b) *Federal Reserve Banks and Branches.* A Federal Reserve Bank or Branch referred to in § 359.14 will pay the current redemption value of a Series I bond presented for payment, provided the bond is in order for payment and the request for payment on the bond is properly signed and certified in accordance with Circular No. 2–98.

§ 359.9 Taxation.

(a) *General.* The increment in value, represented by the difference between the face (par amount) of a Series I bond and the redemption value received for it, is interest. This interest is subject to all taxes imposed under the Internal Revenue Code of 1986, as amended. The bonds are subject to estate, inheritance, gift, or other excise taxes, whether Federal or State, but are exempt from all other taxation now or hereafter imposed on the principal or interest by any State, any possession of the United States or any local taxing authority.

(b) *Federal income tax on bonds.* (1) An owner of Series I bonds may use either of the following two methods for reporting the increase in the redemption value of the bond for Federal income tax purposes:

(i) *Cash basis.* Defer reporting the increase to the year of final maturity, redemption, or other disposition, whichever is earlier; or

(ii) *Accrual basis.* Elect to report the increase each year as it accrues, in which case the election applies to all Series I bonds then owned by the

taxpayer and those subsequently acquired as well as to any other obligations purchased on a discount basis, such as savings bonds of Series E or EE.

(2) If the method in paragraph (b)(1)(i) of this section is used, the taxpayer may change to the method in paragraph (b)(1)(ii) of this section without obtaining permission from the Internal Revenue Service. However, once the election to use the method in paragraph (b)(1)(ii) of this section is made, the taxpayer may change the method of reporting only by following the specific procedure prescribed by the Internal Revenue Service. For further information, the District Director of the taxpayer's district, or the Internal Revenue Service, Washington, DC 20224, should be consulted.

(c) *Reissue.* A reissue that affects the rights of any of the persons named on a Series I bond may have a tax consequence.

§ 359.10 Education savings bond program.

A bond owner or coowner may be able to exclude from income for Federal income tax purposes all or part of the interest received on the redemption of qualified savings bonds during the year, if that owner or coowner paid qualified higher education expenses during the same year and certain other conditions are satisfied. This exclusion is known as the Education Savings Bond Program, and authoritative information about the program can be found in Internal Revenue Service Publication 17, ''Your Federal Income Tax'', and Publication 550, ''Investment Income and Expenses.''

§ 359.11 Reservation as to book-entry bonds.

The Commissioner of the Public Debt, as designee of the Secretary of the Treasury, reserves the right: To convert at any time, in whole or in part, any definitive Series I savings bonds to book-entry Series I savings bonds; and to issue Series I savings bonds only in book-entry form. The Commissioner's action in any such respect is final.

§ 359.12 Reservation as to issue of bonds.

The Commissioner of the Public Debt, as designee of the Secretary of the Treasury, is authorized to reject any application for Series I bonds, in whole or in part, and to refuse to issue, or permit to be issued, any bonds in any case or class of cases, if the Commissioner deems the action to be in the public interest, and the Commissioner's action in any such respect is final.

§ 359.13 Waiver.

The Commissioner of the Public Debt, as designee of the Secretary of the Treasury, may waive or modify any provision of this Circular in any particular case or class of cases for the convenience of the United States or in order to relieve any person or persons of unnecessary hardship:

(a) If such action would not be inconsistent with law or equity;

(b) If it does not impair any material existing rights; and

(c) If he or she is satisfied that such action would not subject the United States to any substantial expense or liability.

§ 359.14 Fiscal agents.

(a) Federal Reserve Banks and Branches referred to below, as fiscal agents of the United States, are authorized to perform such services as may be requested of them by the Secretary of the Treasury, or his or her designee, in connection with the issue, servicing and redemption of Series I bonds. The Federal Reserve Banks and Branches, as fiscal agents of the United States, are subject to change (for example, due to consolidation), as determined by the Secretary of the Treasury, or his or her designee.

(b) The following Federal Reserve Offices have been designated to provide savings bond services:

Servicing office	Reserve district served	Geographic area served
Federal Reserve Bank, Buffalo Branch, 160 Delaware Avenue, Buffalo, NY 14202.	New York, Boston	Connecticut, Maine, Massachusetts, New Hamsphire, New Jersey (northern half), New York, Rhode Island, Vermont, Puerto Rico, Virgin Islands.
Federal Reserve Bank, Pittsburgh Branch, 717 Grant Street, Pittsburgh, PA 15219.	Cleveland, Philadephia	Delaware, Kentucky (eastern half), New Jersey (southern half), Ohio, Pennsylvania, West Virginia (northern panhandle).
Federal Reserve Bank of Richmond, 701 East Byrd Street, Richmond, VA 23219.	Richmond, Atlanta	Alabama, District of Columbia, Florida, Georgia, Louisiana (southern half), Maryland, Mississippi (southern half), North Carolina, South Carolina, Tennessee (eastern half), Virginia, West Virginia (except northern panhandle).
Federal Reserve Bank of Minneapolis, 90 Hennepin Avenue, Minneapolis, MN 55401.	Minneapolis, Chicago	Illinois (northern half), Indiana (northern half), Iowa, Michigan, Minnesota, Montana, North Dakota, South Dakota, Wisconsin.
Federal Reserve Bank of Kansas City, 925 Grand Boulevard, Kansas City, MO 64106.	Dallas, Kansas City, St. Louis, San Francisco.	Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Illinois (southern half), Indiana (southern half), Kansas, Kentucky (western half), Louisiana (northern half), Mississippi (northern half), Missouri, Nebraska, Nevada, New Mexico, Oklahoma, Oregon, Tennessee (western half), Texas, Utah, Washington, Wyoming, Guam.

§ 359.15 Reservation as to terms of offer.

The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this offering of bonds.

30. Part 360 is added to read as follows:

PART 360—REGULATIONS GOVERNING UNITED STATES SAVINGS BONDS, SERIES I

Subpart A—General Information

Sec.
360.0 Applicability.
360.1 Official agencies.
360.2 Definitions.

Subpart B—Registration

360.5 General rules.
360.6 Authorized forms of registration.
360.7 Chain letters prohibited.

Subpart C—Limitations on Annual Purchases

360.10 Amounts which may be purchased.
360.11 Computation of amount.

360.12 Disposition of excess.
360.13 Employee plans—Conditions of eligibility.

Subpart D—Limitations on Transfer or Pledge

360.15 Transfer.
360.16 Pledge.

Subpart E—Judicial Proceedings

360.20 General.
360.21 Payment to judgment creditors.
360.22 Payment or reissue pursuant to divorce.
360.23 Evidence.
360.24 Payment pursuant to judicial or administrative forfeiture.

Subpart F—Relief for Loss, Theft, Destruction, Mutilation, Defacement, or Nonreceipt of Bonds

360.25 General.
360.26 Application for relief; after receipt of bond.
360.27 Application for relief; nonreceipt of bond.
360.28 Recovery or receipt of bond before or after relief is granted.
360.29 Adjudication of claims.

Subpart G—General Provisions for Payment

360.35 Payment (redemption).
360.36 Payment during life of sole owner.
360.37 Payment during lives of both coowners.
360.38 Payment during lifetime of owner of beneficiary bond.
360.39 Surrender for payment.
360.40 Special provisions for payment.
360.41 Partial redemption.
360.42 Nonreceipt or loss of remittance issued in payment.
360.43 Effective date of request for payment.
360.44 Withdrawal of request for payment.

Subpart H—Reissue and Denominational Exchange

360.45 General.
360.46 Effective date of request for reissue.
360.47 Authorized reissue; during lifetime.
360.48 Restrictions on reissue; denominational exchange.
360.49 Correction of errors.
360.50 Change of name.
360.51 Requests for reissue.

Subpart I—Certifying Officers

360.55 Individuals authorized to certify.
360.56 General instructions and liability.
360.57 When a certifying officer may not certify.
360.58 Forms to be certified.

Subpart J—Minors, Incompetents, Aged Persons, Absentees, et al.

360.60 Payment to representative of an estate.
360.61 Payment after death.
360.62 Payment to minor.
360.63 Payment to a parent or other person on behalf of a minor.
360.64 Payment or reinvestment—voluntary guardian of an incapacitated person.
360.65 Reissue.

Subpart K—Deceased Owner, Coowner or Beneficiary

360.70 General rules governing entitlement.
360.71 Estate administered.
360.72 Procedures for the payment or reissue of bonds that are property belonging to a decedent's estate.

Subpart L—Fiduciaries

360.75 Payment or reissue during the existence of the fiduciary estate.
360.76 Payment or reissue after termination of the fiduciary estate.

Subpart M—Miscellaneous Provisions

360.90 Waiver of regulations.
360.91 Additional requirements; bond of indemnity.
360.92 Supplements, amendments, or revisions.

Authority: 5 U.S.C. 301; 31 U.S.C. 3105 and 3125.

Subpart A—General Information

§ 360.0 Applicability.

The regulations in this circular, Department of the Treasury Circular, Public Debt Series No. 2–98 (this part 360), govern transactions in United States Savings Bonds of Series I. These bonds bear issue dates of September 1, 1998, or thereafter.

§ 360.1 Official agencies.

(a) The Bureau of the Public Debt of the Department of the Treasury is responsible for administering the Savings Bond Program. Authority to process transactions has been delegated to Federal Reserve Banks and Branches listed in paragraph (b) of this section, as fiscal agents of the United States. The Federal Reserve Banks and Branches, and their authority to process transactions, as fiscal agents of the United States, are subject to change, as determined by the Secretary of the Treasury, or his or her designee.

(b) Communications concerning transactions and requests for forms should be addressed to:

(1) A Federal Reserve Bank or Branch in the list below; or, the Bureau of the Public Debt, 200 Third Street, Parkersburg, WV 26106–1328.

(2) The following Federal Reserve Offices have been designated to provide savings bond services:

Servicing office	Reserve district served	Geographic area served
Federal Reserve Bank, Buffalo Branch, 160 Delaware Avenue, Buffalo, NY 14202.	New York, Boston	Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, (northern half), New York, Rhode Island, Vermont, Puerto Rico, Virgin Islands.
Federal Reserve Bank, Pittsburgh Branch, 717 Grant Street, Pittsburgh, PA 15219.	Cleveland, Philadelphia	Delaware, Kentucky (eastern half), New Jersey, (southern half), Ohio, Pennsylvania, West Virginia.
Federal Reserve Bank of Richmond, 701 East Byrd Street, Richmond, VA 23219.	Richmond, Atlanta	Alabama, District of Columbia, Florida, Georgia, Louisiana, (southern half), Maryland, Mississippi (southern half), North Carolina, South Carolina, Tennessee (eastern half), Virginia, West Virginia (except northern panhandle).
Federal Reserve Bank of Minneapolis, 90 Hennepin Avenue, Minneapolis, MN 55401.	Minneapolis, Chicago	Illinois (northern half), Indiana, (northern half), Iowa, Michigan, Minnesota, Montana, North Dakota, South Dakota, Wisconsin.
Federal Reserve Bank of Kansas City, 925 Grand Boulevard, Kansas City, MO 64106.	Dallas, San Francisco, Kansas City, St. Louis.	Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Illinois (southern half), Indiana (southern half), Kansas, Kentucky, (western half), Louisiana (northern half), Mississippi (northern half), Missouri, Nebraska, Nevada, New Mexico, Oklahoma, Oregon, Tennessee (western half), Texas, Utah, Washington, Wyoming, Guam.

(c) Notices and documents must be filed with the agencies referred to in paragraphs (a) and (b) of this section and as indicated in the regulations in this part.

§ 360.2 Definitions.

(a) *Bond* means a United States Savings Bond of Series I, either in book-entry form, represented by an accounting entry or electronic record of a Federal Reserve Bank acting as fiscal agent of the United States, or the Department of the Treasury, or in definitive form, as a certificate.

(b) *Incompetent* means an individual who is incapable of handling his or her business affairs because of a legal, mental or medical disability, except that a minor is not an incompetent solely because of age.

(c) *Issuing agent* means an organization that has been qualified under the provisions of Department of the Treasury Circular, Public Debt Series No. 4–67, as revised and amended (31 CFR part 317), to issue savings bonds.

(d) *Paying agent* means a financial institution that has been qualified under the provisions of Department of the Treasury Circular No. 750, as revised and amended (31 CFR part 321), to make payment of savings bonds.

(e) *Payment* means redemption, unless otherwise indicated by the context.

(f) *Person* means a legal entity including an individual or fiduciary estate.

(g) *Personal trust estates* means trust estates established by natural persons in their own right for the benefit of themselves or other natural persons in whole or in part, and common trust funds comprised in whole or in part of such trust estates.

(h) *Reissue* means the cancellation and retirement of a bond and the issuance of a new bond or bonds of the same series, same issue date, and same total face amount.

(i) *Representative of the estate of a minor, incompetent, aged person, absentee, et al.* means the court-appointed or otherwise qualified person, regardless of title, who is legally authorized to act for the individual. The term does not include parents in their own right, voluntary or natural guardians, attorneys-in-fact, trustees of personal and similar trust estates, or the executors or administrators of decedents' estates.

(j) *Surrender* means the actual receipt of a definitive bond with an appropriate request for payment or reissue by either a Federal Reserve Bank or Branch or the Bureau of the Public Debt, or, if a paying agent is authorized to handle the transaction, the actual receipt of the definitive bond and the request for payment by the paying agent.

(k) *Taxpayer Identifying Number* means a social security account number or an employer identification number.

(l) *Voluntary guardian* means an individual who is recognized as authorized to act for an incompetent, as provided by § 360.64.

Subpart B—Registration

§ 360.5 General rules.

(a) *Registration is conclusive of ownership.* Savings bonds of Series I are issued only in registered form. The registration must express the actual ownership of, and interest in, the bond. The registration is conclusive of ownership, except as provided in § 360.49.

(b) *Requests for registration.* (1) Registrations requested must be clear, accurate and complete, conform substantially with one of the forms set forth in this subpart, and include the taxpayer identifying number of the owner or first-named coowner. The registration of all bonds owned by the same individual or fiduciary estate should be uniform with respect to the name of the owner and any description of the fiduciary capacity.

(2) An individual should be designated by the name he or she is ordinarily known by or uses in business, including at least one full given name. The name may be preceded or followed by any applicable title, such as Mr., Mrs., Ms., Miss, Dr., Rev., M.D., or D.D. A suffix, such as Sr. or Jr., must be included when ordinarily used or when necessary to distinguish the owner from another member of his family. A married woman's own first name, not that of her husband, must be used, for example, Mary A. Jones or Mrs. Mary A. Jones, NOT Mrs. Frank B. Jones. The address must include, where appropriate, the number and street, route, or any other local feature, city, State, and ZIP Code.

(c) *Inscription of bonds purchased as gifts.* If the bonds are purchased as gifts, awards, prizes, etc., and the taxpayer identifying numbers of the intended owners are not known, the purchaser's number must be furnished. Bonds so inscribed will not be associated with the purchaser's own holdings. A bond registered in the name of a purchaser with another person as coowner or beneficiary is not considered a gift or an award. If the purchaser so requests, a bond may be inscribed to provide a ''Mail to'' instruction, followed by a delivery name and address. No rights of ownership are conferred on such designee.

§ 360.6 Authorized forms of registration.

Subject to any limitations or restrictions contained in these regulations on the right of any person to be named as owner, coowner, or beneficiary, bonds should be registered as indicated in this section. A savings bond inscribed in a form not substantially in agreement with one of the forms authorized by this subpart is not considered validly issued.

(a) *Natural persons.* A bond may be registered in the names of individuals in their own right, but only in one of the forms authorized by this paragraph (a).

(1) *Single ownership form.* A bond may be registered in the name of one individual.

Example: Julie B. Jones, 123–45–6789.

(2) *Coownership form.* A bond may be registered in the names of two individuals in the alternative as coowners. The form of registration ''A and B'' is not authorized.

Examples: David R. Johnson 123–45–6789 or Anna B. Johnson. Maria S. Gonzalez 987–65–4321 or Juan C. Gonzalez.

(3) *Beneficiary form.* A bond may be registered in the name of one individual payable on death to another. ''Payable on death to'' may be abbreviated to ''P.O.D.''.

Examples: Catherine B. Jordan 123–45–6789 payable on death to Daniel A. Jordan. Henry C. Rodriguez 123–45–6789 P.O.D. Maria S. Rodriguez.

(b) *Fiduciaries (including legal guardians, trustees, and similar representatives).* (1) *General.* A bond may be registered in the name of any person or persons or any organization acting as fiduciary of a single fiduciary estate, but not where the fiduciary will hold the bond merely or principally as security for the performance of a duty, obligation, or service. A bond's registration should conform to a form authorized by this paragraph. A common trust fund established and maintained by a financial institution authorized to act as a fiduciary will be considered a single fiduciary estate within the meaning of the regulations in this part.

(2) *Legal guardians, conservators, similar representatives, certain custodians, etc.* A bond may be registered in the name and fiduciary capacity of the legally appointed or authorized representative of the estate of a minor, incompetent, aged or infirm person, absentee, et al., or of a personal or testamentary trust.

Examples: Tenth National Bank, Guardian (or Conservator, Trustee, etc.) of the Estate of George N. Brown 123–45–6789, a minor (or an incompetent, aged person, infirm person, or absentee). Henry C. Smith, Conservator of the Estate of John R. White 123–45–6789, an adult, pursuant to Sec. 633.572 of the Iowa Code. Juan B. Gonzalez 123–45–6789, a minor (or an incompetent) under custodianship by designation of the Veterans Administration. Frank M. Redd 123–45–6789, an incompetent for whom Eric A. Redd has been designated trustee by the Department of the Army pursuant to 37 U.S.C. 602. Richard A. Rowe 123–45–6789, for whom Reba L. Rowe is representative payee for social security benefits (or black lung benefits, as the case may be). Henry L. Green 123–45–6789 or George M. Brown, a minor under legal guardianship of the Tenth National Bank. Henry L. Green 123–45–6789 P.O.D. George M. Brown, a minor under legal guardianship of the Tenth National Bank. Harbor State Hospital and School, selected payee for Beth R. Weber 123–45–6789, a Civil Service annuitant, pursuant to 5 U.S.C. 8345(e). John F. Green or Mary B. Doe, Trustees of the Estate of Moe Green 123–45–6789. Thomas J. White and Tenth National Bank, Trustees under the Will of Robert J. Benjamin, deceased 12–3456789. Tenth National Bank, Trustee under Agreement with Mark S. Dunston, dated 2/1/98, 12–3456789. Ruth B. Grace and Pat A. Banks, Trustees under Agreement with Susan L. Chambers, dated 7/30/97, 12–3456789. Dennis R. Adams, Trustee under Declaration of Trust, dated 5/1/98, 12–3456789.

(3) *Employee thrift, savings, vacation and similar plans.* Bonds may be registered in the name and title, or title alone, of the trustee of an eligible employee thrift, savings, vacation, 401(k) or similar plan, as defined in § 360.13. If the instrument creating the trust provides that the trustees shall serve for a limited term, their names may be omitted.

Examples: Tenth National Bank, trustee of Pension Fund of Safety Manufacturing Company, U/A with the company, dated March 31, 1996, 12–3456789.

Trustees of Retirement Fund of Safety Manufacturing Company, under directors' resolution adopted March 31, 1996, 12–3456789.

County Trust Company, trustee of the Employee Savings Plan of Jones Company, Inc., U/A dated January 17, 1996, 12–3456789.

Trustees of the Employee Savings Plan of Brown Brothers, Inc., U/A dated January 20, 1996, 12–3456789.

(c) *The United States Treasury.* A person who desires to have a bond become the property of the United States upon his or her death may designate the United States Treasury as beneficiary.

Example: George T. Jones 123–45–6789 P.O.D. the United States Treasury.

§ 360.7 Chain letters prohibited.

The issuance of bonds in the furtherance of a chain letter, pyramid, or similar scheme is against the public interest and is prohibited.

Subpart C—Limitations on Annual Purchases

§ 360.10 Amounts which may be purchased.

The amount of savings bonds of Series I which may be purchased and held, in the name of any one person in any one calendar year, is computed according to the provisions of § 360.11 and is limited as follows:

(a) General annual limitation, $30,000 (par value).

(b) Special limitation, $4,000 (par value) multiplied by the highest number of employees participating in an eligible employee plan, as defined in § 360.13, at any time during the calendar year in which the bonds are issued.

§ 360.11 Computation of amount.

(a) *General.* The purchases of bonds in the name of any person in an individual capacity are computed separately from purchases in a fiduciary capacity, *e.g.,* as representative for the estate of an individual.

(b) *Bonds included in computation.* In computing the purchases for each person, the following outstanding bonds are included:

(1) All bonds registered in the name and bearing the taxpayer identifying number of that person alone;

(2) All bonds registered in the name of the representative of the estate of that person and bearing that person's taxpayer identifying number; and

(3) All bonds registered in the name of that person as coowner that also bear that person's taxpayer identifying number.

(c) *Bonds excluded from computation.* In computing the purchases for each person, the following are excluded:

(1) Bonds on which that person is named beneficiary;

(2) Bonds to which that person has become entitled—

(i) Under § 360.70 as surviving beneficiary upon the death of the registered owner;

(ii) As an heir or a legatee of the deceased owner;

(iii) By virtue of the termination of a trust or the happening of a similar event; and

(3) Bonds that are purchased and redeemed within the same calendar year.

§ 360.12 Disposition of excess.

If any person at any time has savings bonds issued during any one calendar year in excess of the prescribed amount, instructions should be obtained from the Bureau of the Public Debt, Parkersburg, WV 26106–1328, for appropriate adjustment of the excess. Under the conditions specified in § 360.90, the Commissioner of the Public Debt may permit excess purchases to stand in any particular case or class of cases.

§ 360.13 Employee plans—Conditions of eligibility.

(a) *Definition of plan.* Employee thrift, savings, vacation, 401(k), and similar plans are contributory plans established by the employer for the exclusive and irrevocable benefit of its employees or their beneficiaries. Each plan must afford employees the means of making regular savings from their wages through payroll deductions and provide for employer contributions to be added to these savings.

(b) *Definition of terms used in this section.* (1) The term *assets* means all the employees' contributions and assets purchased with them and the employer's contributions and assets purchased with them, as well as accretions, such as dividends on stock, the increment in value on bonds and all other income; but, notwithstanding any other provision of this section, the right to demand and receive all assets credited to the account of an employee shall not be construed to require the distribution of assets in kind when it would not be possible or practicable to make such a distribution; for example, Series I bonds may not be reissued in unauthorized denominations.

(2) The word *beneficiary* means:

(i) The person or persons, if any, designated by the employee in accordance with the terms of the plan to receive the benefits of the plan upon the employee's death; or

(ii) The estate of the employee.

(c) *Conditions of eligibility.* An employee plan must conform to the following rules in order to be eligible for the special limitation provided in § 360.10.

(1) *Crediting of assets.* All assets of a plan must be credited to the individual accounts of participating employees and may be distributed only to them or their beneficiaries, except as provided in paragraph (c)(3) of this section.

(2) *Purchase of bonds.* Bonds may be purchased only with assets credited to the accounts of participating employees and only if the amount taken from any account at any time for that purpose is equal to the purchase price of a $50 bond or bonds in an authorized denomination or denominations, and shares in the bonds are credited to the

accounts of the individuals from which the purchase price was derived, in amounts corresponding with their shares. For example, if $100 credited to the account of John Jones is commingled with funds credited to the accounts of other employees to make a total of $5,000 with which a Series I bond in the denomination of $5,000 (face amount) is purchased in December 1998 and registered in the name and title of the trustee, the plan must provide, in effect, that John Jones' account be credited to show that he is the owner of a Series I bond in the denomination of $100 (face amount) bearing an issue date of December 1, 1998.

(3) *Irrevocable right of withdrawal*. Each participating employee has an irrevocable right to request and receive from the trustee all assets credited to the employee's account (or their value, if the employee prefers) without regard to any conditions other than the loss or suspension of the privilege of participating further in the plan. A plan may limit or modify such right in any manner required for qualification of the plan under section 401 of the Internal Revenue Code of 1986, as amended (26 U.S.C. 401).

(4) *Rights of beneficiary*. Upon the death of an employee, his or her beneficiary shall have the absolute and unconditional right to demand and receive from the trustee all assets credited to the account of the employee or their value, if he or she so prefers.

(5) *Reissue or payment upon distribution*. (i) When settlement is made with an employee or his or her beneficiary with respect to any bond registered in the name and title of the plan trustee in which the employee has a share, the bond must be paid or reissued to the extent of the share.

(ii) If an employee or the beneficiary is to receive distribution in kind, bonds bearing the same issue dates as those credited to the employee's account will be reissued in the name of the employee or the employee's beneficiary to the extent entitled, in authorized denominations, in any authorized form of registration, upon the request and certification of the trustee.

(d) *Application for special limitation*. A trustee of an employee plan who desires to purchase bonds under the special limitation should submit to the designated Federal Reserve Bank or Branch a copy of:

(1) The plan;

(2) Any instructions issued under the plan that concern Series I bonds; and

(3) The trust agreement, in order to establish the plan's eligibility.

(e) *Vacation plans*. Savings bonds may be purchased under certain vacation plans. Questions concerning the eligibility of these plans to purchase bonds in excess of the general limitation should be addressed to the Bureau of the Public Debt, Parkersburg, WV 26106–1328.

Subpart D—Limitations on Transfer or Pledge

§ 360.15 Transfer.

Savings bonds are not transferable and are payable only to the owners named on the bonds, except as specifically provided in these regulations and then only in the manner and to the extent so provided.

§ 360.16 Pledge.

A savings bond may not be hypothecated, pledged, or used as security for the performance of an obligation.

Subpart E—Judicial Proceedings

§ 360.20 General.

(a) The Department of the Treasury will not recognize a judicial determination that gives effect to an attempted voluntary inter vivos transfer of a bond, or a judicial determination that impairs the rights of survivorship conferred by the regulations in this part upon a coowner or beneficiary. All provisions of this subpart are subject to these restrictions, except as provided in § 360.24.

(b) The Department of the Treasury will recognize a claim against an owner of a savings bond and conflicting claims of ownership of, or interest in, a bond between coowners or between the registered owner and the beneficiary, if established by valid judicial proceedings, but only as specifically provided in this subpart. Section 360.23 specifies the evidence required to establish the validity of the judicial proceedings.

(c) The Department of the Treasury and the agencies that issue, reissue, or redeem savings bonds will not accept a notice of an adverse claim or notice of pending judicial proceedings, nor undertake to protect the interests of a litigant not in possession of a savings bond.

§ 360.21 Payment to judgment creditors.

(a) *Purchaser or officer under levy*. The Department of the Treasury will pay (but not reissue) a savings bond to the purchaser at a sale under a levy or to the officer authorized under appropriate process to levy upon property of the registered owner or coowner to satisfy a money judgment. Payment will be made only to the extent necessary to satisfy the money judgment. The amount paid is limited to the redemption value 60 days after the termination of the judicial proceedings. Except in the case of a levy by the Internal Revenue Service, payment of a bond registered in coownership form pursuant to a judgment or a levy against only one coowner is limited to the extent of that coowner's interest in the bond. That interest must be established by an agreement between the coowners or by a judgment, decree, or order of a court in a proceeding to which both coowners are parties. Payment of a bond registered in coownership form pursuant to a levy by the Internal Revenue Service will be made if the levy is against either coowner on the bond.

(b) *Trustee in bankruptcy, receiver, or similar court officer*. The Department of the Treasury will pay, at current redemption value, a savings bond to a trustee in bankruptcy, a receiver of an insolvent's estate, a receiver in equity, or a similar court officer under the provisions of paragraph (a) of this section.

§ 360.22 Payment or reissue pursuant to divorce.

(a) *Divorce*. (1) The Department of the Treasury will recognize a divorce decree that ratifies or confirms a property settlement agreement disposing of bonds or that otherwise settles the interests of the parties in a bond. Reissue of a savings bond may be made to eliminate the name of one spouse as owner, coowner, or beneficiary or to substitute the name of one spouse for that of the other spouse as owner, coowner, or beneficiary pursuant to the decree. However, if the bond is registered in the name of one spouse with another person as coowner, there must be submitted either:

(i) A request for reissue by the other person; or

(ii) a certified copy of a judgment, decree, or court order entered in proceedings to which the other person and the spouse named on the bond are parties, determining the extent of the interest of that spouse in the bond. Reissue will be permitted only to the extent of that spouse's interest.

(2) The evidence required under § 360.23 must be submitted in every case. When the divorce decree does not set out the terms of the property settlement agreement, a certified copy of the agreement must be submitted. Payment, rather than reissue, will be made if requested.

(b) *Date for determining rights*. When payment or reissue under this section is to be made, the rights of the parties will be those existing under the regulations

current at the time of the entry of the final judgment, decree, or court order.

§ 360.23 Evidence.

(a) *General.* To establish the validity of judicial proceedings, certified copies of the final judgment, decree, or court order, and of any necessary supplementary proceedings, must be submitted. If the judgment, decree, or court order was rendered more than six months prior to the presentation of the bond, there must also be submitted a certification from the clerk of the court, under court seal, dated within six months of the presentation of the bond, showing that the judgment, decree, or court order is in full force.

(b) *Trustee in bankruptcy or receiver of an insolvent's estate.* A request for payment by a trustee in bankruptcy or a receiver of an insolvent's estate must be supported by appropriate evidence of appointment and qualification. The evidence must be certified by the clerk of the court, under court seal, as being in full force on a date that is not more than six months prior to the presentation of the bond.

(c) *Receiver in equity or similar court officer.* A request for payment by a receiver in equity or a similar court officer, other than a receiver of an insolvent's estate, must be supported by a copy of an order that authorizes the presentation of the bond for redemption, certified by the clerk of the court, under court seal, as being in full force on a date that is not more than six months prior to the presentation of the bond.

§ 360.24 Payment pursuant to judicial or administrative forfeiture.

(a) *Definitions.* As used in this part:

(1) *Contact point* means the individual designated to receive referrals from the Bureau of the Public Debt, as provided for in this section, by the Federal investigative agency, United States Attorney's Office, or forfeiting agency specified in Public Debt Form 1522.

(2) *Forfeiting agency* means the federal law enforcement agency responsible for the forfeiture.

(3) *Forfeiture.* (i) *Administrative forfeiture* means the process by which property may be forfeited by a federal agency rather than through judicial proceedings.

(ii) *Judicial forfeiture* means either a civil or a criminal proceeding in a United States District Court that may result in a final judgment and order of forfeiture.

(4) *Public Debt Form 1522* means the written notification of the forfeiture provided by the forfeiting agency to the Bureau of the Public Debt on a Public Debt Form 1522 SPECIAL FORM OF REQUEST FOR PAYMENT OF UNITED STATES SAVINGS AND RETIREMENT SECURITIES WHERE USE OF A DETACHED REQUEST IS AUTHORIZED. Public Debt Form 1522 must specify: the contact point; the issue date of each bond; the serial number for each bond; the date of forfeiture; the forfeiture fund to which payment is to be made; and be signed by an individual authorized by the forfeiting agency. The forfeited bonds and the completed Public Debt Form 1522 are to be mailed to the Department of the Treasury, Bureau of the Public Debt, Parkersburg, WV 26106–1328.

(b) *Forfeiture of bond.* (1) Upon receipt and review of the Public Debt Form 1522, as described in paragraph (a)(4) of this section, the Bureau of the Public Debt will make payment to the forfeiture fund specified on the form.

(2) The Bureau of the Public Debt will record the forfeiture, the forfeiture fund into which the proceeds were paid, the contact point, and any related information.

(3) The Bureau of the Public Debt will rely exclusively upon the information provided by the Federal agency in the Public Debt Form 1522 and will not make any independent evaluation of the validity of the forfeiture order, the request for payment, or the authority of the individual signing the request for payment.

(4) The amount paid is limited to the redemption value of the savings bonds as of the date of forfeiture specified in the Public Debt Form 1522.

(c) *Inquiry from previous owner.* (1) Upon payment made pursuant to paragraph (b) of this section, all inquiries from the previous owner, including requests for payment, reissue, or applications for relief, related to forfeited savings bonds, will be referred by the Bureau of the Public Debt to the contact point named in the Public Debt Form 1522.

(2) The Bureau of the Public Debt will notify the submitter of the inquiry of the referral to the contact point.

(3) The Bureau of the Public Debt will not investigate the inquiry and will defer to the forfeiting agency's determination of the appropriate course of action, including settlement where appropriate. Any settlement will be paid from the forfeiture fund into which the proceeds were deposited.

Subpart F—Relief for Loss, Theft, Destruction, Mutilation, Defacement, or Nonreceipt of Bonds

§ 360.25 General.

Relief, by the issue of a substitute bond or by payment, is authorized for the loss, theft, destruction, mutilation, or defacement of a bond after receipt by the owner or his or her representative. As a condition for granting relief, the Commissioner of the Public Debt, as designee of the Secretary of the Treasury, may require a bond of indemnity, in the form, and with the surety, or security, he or she considers necessary to protect the interests of the United States. In all cases, the claimant or claimants must identify the lost, stolen, destroyed, mutilated, or defaced savings bond or savings bonds by serial number or serial numbers and must submit satisfactory evidence of the loss, theft, or destruction, or a satisfactory explanation of the mutilation or defacement.

§ 360.26 Application for relief; after receipt of bond.

(a) If the serial numbers of the lost, stolen, or destroyed bonds are known, the claimant should execute an application for relief on the appropriate form and submit it to the Bureau of the Public Debt, Parkersburg, WV 26106–1328.

(b) If the bond serial numbers are not known, the claimant must provide sufficient information to enable the Bureau of the Public Debt to identify the bond by serial number. See § 360.29(c). The Bureau will furnish the proper application form and instructions.

(c) A defaced bond and all available fragments of a mutilated bond should be submitted to a Federal Reserve Office listed in § 360.1(b)(2) or the Bureau of the Public Debt.

(d) The application must be made by the person or persons (including both coowners, if living) authorized under the regulations in this part to request payment of the bond. In addition:

(1) If the bond is in beneficiary form and the owner and beneficiary are both living, the application must be made by the owner, and the beneficiary may also be required to join in the application to protect the interests of the United States.

(2) If a minor named on a bond as owner, coowner, or beneficiary is not of sufficient competency and understanding to request payment, the parents or other person authorized to request payment under § 360.63 will ordinarily be required to join in the application.

(e) If the application is approved, relief will be granted either by the issuance of a bond bearing the same issue date as the bond for which the claim was filed or by the issuance of a remittance in payment.

§ 360.27 Application for relief; nonreceipt of bond.

If a bond issued on any transaction is not received, the issuing agent must be notified as promptly as possible and given all information available about the nonreceipt. An appropriate form and instructions will be provided. If the application is approved, relief will be granted by the issuance of a bond bearing the same issue date as the bond that was not received. Also, relief is authorized for the issuance of bonds for which the Secretary has not received payment, in order to preserve public confidence in dealing with issuing agents.

§ 360.28 Recovery or receipt of bond before or after relief is granted.

(a) If a bond reported lost, stolen, destroyed, or not received, is recovered or received before relief is granted, the Bureau of the Public Debt, Parkersburg, WV 26106–1328, must be notified promptly.

(b) A bond for which relief has been granted is the property of the United States and, if recovered, must be promptly submitted to the Bureau of the Public Debt, Parkersburg, 26106–1328, for cancellation.

§ 360.29 Adjudication of claims.

(a) *General.* The Bureau of the Public Debt will adjudicate claims for lost, stolen or destroyed bonds on the basis of records created and regularly maintained in the ordinary course of business.

(b) *Claims filed 10 years after payment.* Any claim filed 10 years or more after the recorded date of redemption or other retirement will be barred.

(c) *Claims filed 10 years after maturity.* Any claim filed 10 years or more after the maturity of a savings bond will be barred.

Subpart G—General Provisions for Payment

§ 360.35 Payment (redemption).

(a) *General.* Payment of a Series I savings bond will be made to the person or persons entitled under the provisions of the regulations in this part, except that the redemption payment will not be delivered to addresses in areas with respect to which the Department of the Treasury restricts or regulates the delivery of remittances, including checks and electronic payments, drawn against funds of the United States. See Department of the Treasury Circular No. 655, current revision (31 CFR part 211). Payment will be made without regard to any notice of adverse claims to a bond and no stoppage or caveat against payment of a bond will be entered.

(b) *Mandatory initial holding period.* A Series I bond will be paid at any time after six months from issue date at the current redemption value determined in the manner described in Department of the Treasury Circular, Public Debt Series No. 1–98 (31 CFR part 359).

§ 360.36 Payment during life of sole owner.

A savings bond registered in single ownership form (i.e., without a coowner or beneficiary) will be paid to the owner during his or her lifetime upon surrender with an appropriate request.

§ 360.37 Payment during lives of both coowners.

A savings bond registered in coownership form will be paid to either coowner upon surrender with an appropriate request, and upon payment (as determined in § 360.43), the other coowner will cease to have any interest in the bond. If both coowners request payment, the payment will be made in the form, ''John A. Jones AND Mary C. Jones''.

§ 360.38 Payment during lifetime of owner of beneficiary bond.

A savings bond registered in beneficiary form will be paid to the registered owner during his or her lifetime upon surrender with an appropriate request. Upon payment (as determined in § 360.43) the beneficiary will cease to have any interest in the bond.

§ 360.39 Surrender for payment.

(a) *Procedure for definitive bonds of Series I presented at authorized paying agents.* The owner, coowner, or other person entitled to payment of a definitive Series I bond may present the bond to an authorized paying agent for redemption. The presenter must establish his or her identity and entitlement to payment in accordance with Treasury instructions and identification guidelines. The presenter must sign the request for payment on the bond or, if authorized, on a separate detached request, and add his or her address. If the request for payment has been signed, or signed and certified, before presentation of the bond, the paying agent must be satisfied that the person presenting the bond for payment is the owner, coowner, or other person entitled to payment, and may require the person to sign the request for payment again. If the bond is in order for payment, the paying agent will make payment at the current redemption value without charge to the presenter. Paying agents are not authorized to process any case involving partial redemption.

(b) *Procedure for all other cases.* In the case of definitive bonds to which the procedure in paragraph (a) of this section, does not apply, or if otherwise preferred, the owner or coowner, or other person entitled to payment should establish his or her identity to the satisfaction of an officer authorized by the regulations in this part to certify requests for payment, sign the requests for payment, and provide delivery information for the payment. The bonds must be forwarded to a designated Federal Reserve Bank or Branch or the Bureau of the Public Debt. Usually, payment will be expedited by submission to a designated Federal Reserve Bank or Branch. In all cases, the cost and risk of presentation of a bond will be borne by the owner. Payment will be made to the registered owner or other person entitled and will be delivered according to the instructions of the owner or the other person entitled and the regulations in this part.

(c) *Date of request.* Requests executed more than six months before the date of receipt of a bond for payment will not be accepted. Neither will a bond be accepted if payment is requested as of a date more than three months in the future.

§ 360.40 Special provisions for payment.

(a) *Owner's signature not required.* A bond may be paid by a paying agent or a designated Federal Reserve Bank or Branch without the owner's signature to the request for payment if the bond bears the special endorsement of a paying agent specifically qualified to place such an endorsement on savings bonds.

(b) *Signature by mark.* A signature by mark (X) must be witnessed by at least one disinterested person and a certifying officer. See subpart I of this part. The witness must attest to the signature by mark substantially as follows: ''Witness to signature by mark'', followed by his or her signature and address.

(c) *Name change.* If the name of the owner, coowner, or other person entitled to payment, as it appears in the registration or in any related evidence or documents has been changed in any legal manner, the signature to the request for payment must show both names and the manner in which the change was made; for example, ''Mary

T. Jones Smith (Mary T. J. Smith or Mary T. Smith) changed by marriage from Mary T. Jones'', or ''John R. Young, changed by order of court from Hans R. Jung''. See § 360.50.

(d) *Attorneys-in-fact.* A request for payment executed by an attorney-in-fact on behalf of the bond owner or other person entitled to payment of the bond will be recognized if it is accompanied by a copy of the power of attorney which meets the following requirements:

(1) The power of attorney must bear the grantor's signature, properly certified or notarized, in accordance with applicable State law;

(2) The power of attorney must grant, by its terms, authority for the attorney-in-fact to sell or redeem the grantor's securities, sell his or her personal property, or otherwise contain similar authority; and

(3) In the case of a grantor who has become incapacitated, the power of attorney must conform with pertinent provisions of State law concerning its durability. Generally, in such circumstances, the power of attorney should provide that the authority granted will not be affected by the subsequent incompetence or incapacity of the grantor. Medical evidence or other proof of the grantor's condition may be required in any case.

§ 360.41 Partial redemption.

A bond may be redeemed in part at current redemption value, but only in amounts corresponding to authorized denominations, upon surrender of the bond to a designated Federal Reserve Bank or Branch or to the Bureau of the Public Debt in accordance with § 360.39(b). In any case in which partial redemption is requested, the phrase ''to the extent of $ _____ (face amount) and reissue of the remainder'' should be added to the request. Upon partial redemption of the bond, the remainder will be reissued as of the original issue date, as provided in subpart H of this part.

§ 360.42 Nonreceipt or loss of remittance issued in payment.

If a remittance in payment of the redemption value of a bond surrendered for redemption is not received within a reasonable time or is lost after receipt, notice should be given to the same agency to which the bond was surrendered for payment. The notice should give the date the bond was surrendered for payment and describe the bond by series, denomination, serial number, and registration, including the taxpayer identifying number of the owner.

§ 360.43 Effective date of request for payment.

The Department of the Treasury will treat the receipt of a bond with an appropriate request for payment by:

(a) A Federal Reserve Bank or Branch;

(b) The Bureau of the Public Debt; or

(c) A paying agent authorized to pay that bond, as the date upon which the rights of the parties are fixed for the purpose of payment.

§ 360.44 Withdrawal of request for payment.

(a) *Withdrawal by owner or coowner.* An owner or coowner, who has surrendered a bond to a Federal Reserve Bank or Branch or to the Bureau of the Public Debt or to an authorized paying agent with an appropriate request for payment, may withdraw the request if notice of intent to withdraw is received by the same agency prior to payment.

(b) *Withdrawal on behalf of deceased owner or incompetent.* A request for payment may be withdrawn under the same conditions as in paragraph (a) of this section by the executor or administrator of the estate of a deceased owner or by the person or persons who could have been entitled to the bond under Subpart K of this part, or by the legal representative of the estate of a person under legal disability, unless surrender of the bond for payment has eliminated the interest of a surviving coowner or beneficiary. See § 360.70(b) and (c).

Subpart H—Reissue and Denominational Exchange

§ 360.45 General

Reissue of a bond may be made only under the conditions specified in these regulations, and only at: A designated Federal Reserve Bank or Branch, or the Bureau of the Public Debt. Reissue will not be made if the request is received less than one full calendar month before the maturity date of a bond. See 31 CFR part 359. The request, however, will be effective to establish ownership as though the requested reissue had been made.

§ 360.46 Effective date of request for reissue.

The Department of the Treasury will treat the receipt by: A Federal Reserve Bank or Branch, or the Bureau of the Public Debt of a bond and an acceptable request for reissue as determining the date upon which the rights of the parties are fixed for the purpose of reissue. For example, if the owner or either coowner of a bond dies after the bond has been surrendered for reissue, the bond will be regarded as having been reissued in the decedent's lifetime.

§ 360.47 Authorized reissue; during lifetime.

A bond belonging to a living individual may be reissued in any form of registration authorized by the regulations in this part upon an appropriate request under the conditions and for the purposes outlined in this section.

(a) *Single ownership.* A bond registered in single ownership form may be reissued:

(1) To add a coowner or beneficiary; or

(2) To name a new owner, with or without a coowner or beneficiary as requested by the new owner, but only if the previous owner and the new owner are parties to a divorce or annulment; or

(3) To name as new sole owner the personal trust estate created by the previous owner or which designates as beneficiary the previous owner.

(b) *Coownership.* During the lifetime of both coowners:

(1) A coownership bond may be reissued to name a new owner, with or without a coowner or beneficiary as requested by the new owner, but only if at least one of the coowners and the new owner are parties to a divorce or annulment, but reissue is limited to the extent of that coowner's interest in the bond (See § 360.22(a)); or

(2) To name as new sole owner the personal trust estate created by at least one of the coowners or which designates as beneficiary at least one of the coowners.

(c) *Beneficiary.* A bond registered in beneficiary form may be reissued:

(1) To substitute another individual as beneficiary; or

(2) To eliminate the beneficiary, and, if the beneficiary is eliminated, to effect any of the reissues authorized by paragraph (a) of this section.

§ 360.48 Restrictions on reissue; denominational exchange.

Reissue is not permitted solely to change denominations.

§ 360.49 Correction of errors.

A bond may be reissued to correct an error in registration upon appropriate request supported by satisfactory proof of the error.

§ 360.50 Change of name.

An owner, coowner, or beneficiary whose name is changed by marriage, divorce, annulment, order of court, or in any other legal manner after the issue of the bond should submit the bond with a request for reissue to substitute the new name for the name inscribed on the bond. Documentary evidence may be required in any appropriate case.

§ 360.51 Requests for reissue.

Subject to the conditions set out in this subpart, a request for reissue of bonds in coownership form must be signed by both coowners, except that a request solely to eliminate the name of one coowner may be signed by that coowner only. A bond registered in beneficiary form may be reissued upon the request of the owner, without the consent of the beneficiary. Public Debt forms are available for requesting reissue.

Subpart I—Certifying Officers

§ 360.55 Individuals authorized to certify.

The following individuals are authorized to act as certifying officers for the purpose of certifying a request for payment, reissue, or a signature to a Public Debt form:

(a) *Officers generally authorized*—(1) *Banks, trust companies, and member organizations of the Federal Home Loan Bank System.* (i) Any officer of a bank incorporated in the United States, the territories or possessions of the United States, or the Commonwealth of Puerto Rico.

(ii) Any officer of a trust company incorporated in the United States, the territories or possessions of the United States, or the Commonwealth of Puerto Rico.

(iii) Any officer of an organization that is a member of the Federal Home Loan Bank System. This includes Federal savings and loan associations.

(iv) Any officer of a foreign branch or domestic branch of an institution indicated in paragraphs (a)(1)(i) through (iii) of this section.

(v) Any officer of a Federal Reserve Bank, a Federal Land Bank, or a Federal Home Loan Bank.

(vi) Any employee of an institution in paragraphs (a)(1)(i) through (v) of this section, who is expressly authorized to certify by the institution.

(2) *Credit unions.* Any officer or employee of a credit union, who is expressly authorized to certify by the institution. Certification by these officers or designated employees must be authenticated by a legible imprint of either the corporate seal of the institution or of the issuing or paying agent's stamp. The employee expressly authorized to certify by an institution must sign his or her name over the title ''Designated Employee''.

(3) *Issuing and paying agents.* Any officer or expressly authorized employee of an organization that is not included in paragraphs (a)(1)(i) through (v) of this section but is qualified as an issuing or paying agent for savings bonds of Series E, EE, or I. The agent's stamp must be imprinted in the certification.

(4) *By United States officials.* Any judge, clerk, or deputy clerk of a United States court, including United States courts for the territories and possessions of the United States and the Commonwealth of Puerto Rico; any United States Commissioner, United States Attorney, or United States Collector of Customs, including their deputies; in the Internal Revenue Service, any Regional Commissioner, District Director, Service Center Director, or Internal Revenue agent.

(b) *Officers with limited authority*—(1) *In the Armed Forces.* Any commissioned officer or warrant officer of the Armed Forces of the United States, but only for members of the respective services, their families, and civilian employees at posts, bases, or stations. The certifying officer must indicate his or her rank and state that the individual signing the request is one of the class whose request the certifying officer is authorized to certify.

(2) *Veterans Administration, Federal penal institutions, and United States Public Health Service hospitals.* Any officer in charge of a home, hospital or other facility of the Veterans Administration, but only for the patients, or employees of the facility; any officer of a Federal penal institution or a United States Public Health Service hospital expressly authorized to certify by the Secretary of the Treasury or his designee, but only for the inmates, patients or employees of the institution involved. Officers of Veterans Administration facilities, Federal penal institutions, and Public Health Service hospitals must use the stamp or seal of the particular institution or service.

(c) *Authorized officers in foreign countries.* Any United States diplomatic or consular representative, or the officer of a foreign branch of a bank or trust company incorporated in the United States whose signature is attested by an imprint of the corporate seal or is certified to the Department of the Treasury. If none of these individuals is available, a notary public or other officer authorized to administer oaths may certify, but, if not in a country that is a party to the Hague Convention, his or her official character and jurisdiction must be certified by a United States diplomatic or consular officer under seal of his or her office.

(d) *Authorized officers in particular localities.* The Governor and the Treasurer of Puerto Rico; the Governor and the Commissioner of Finance of the Virgin Islands; the Governor and the Director of Finance of Guam; or the Governor and the Director of Administrative Services of American Samoa.

(e) *Special provisions.* If no certifying officer is readily accessible, the Commissioner of the Public Debt, Deputy Commissioner, any Assistant Commissioner, or other designated official of the Bureau or of a Federal Reserve Bank or Branch is authorized to make special provision for any particular case.

§ 360.56 General instructions and liability.

(a) The certifying officer must:

(1) Require the person presenting a bond, or an appropriate Public Debt transaction form, to establish his or her identity in accordance with Department of the Treasury instructions and identification guidelines;

(2) Place a notation on the back of the bond or on the appropriate Public Debt transaction form, or in a separate record, showing exactly how identification was established; and

(3) Affix, as part of the certification, his or her official signature, title, seal or issuing or paying agent's stamp, address, and the date of execution.

(b) The certifying officer and, if such person is an officer or an employee of an organization, the organization will be held fully responsible for the adequacy of the identification.

(c) A signature guaranteed stamp under the Securities Transfer Agents Medallion Program (STAMP) is an acceptable official seal.

§ 360.57 When a certifying officer may not certify.

Certifying officers may not certify the requests for payment or reissue of bonds, or appropriate Public Debt transaction forms if, in their own right or in a representative capacity, they:

(a) Have an interest in the bonds; or

(b) Will, by virtue of the requests being certified, acquire an interest in the bonds.

§ 360.58 Forms to be certified.

When required in the instructions on a Public Debt transaction form, the form must be signed before an authorized certifying officer.

Subpart J—Minors, Incompetents, Aged Persons, Absentees, et al.

§ 360.60 Payment to representative of an estate.

(a) The representative of an estate of an owner who is a minor, an aged person, incompetent, absentee, et al., may receive payment upon request:

(1) If the registration shows the name and capacity of the representative;

(2) If the registration shows the capacity but not the name of the

representative and the request is accompanied by appropriate evidence; or

(3) If the registration includes neither the name of the representative nor his or her capacity but the request is accompanied by appropriate evidence.

(b) (1) Appropriate evidence for paragraphs (a) (2) and (3) of this section includes Public Debt Forms 5385 (redemption) and 5386 (reissue) completed and signed by the representative in accordance with the proper form's instructions, which are incorporated herein, or a certified copy of the letters of appointment or, if the representative is not appointed by a court, other proof of qualification.

(2) Except in the case of corporate fiduciaries, the evidence must show that the appointment is in full force and be dated not more than one year prior to the presentation of the bond for payment. The request for payment appearing on the back of a bond must be signed by the representative as such, for example, ''John S. Jones, guardian (committee) of the estate of Henry W. Smith, a minor (an incompetent)''.

§ 360.61 Payment after death.

After the death of the ward, and at any time prior to the representative's discharge, the representative of the estate will be entitled to obtain payment of a bond to which the ward was solely entitled.

§ 360.62 Payment to minor.

If the owner of a savings bond is a minor and the form of registration does not indicate that there is a representative of the minor's estate, payment will be made to the minor upon his or her request, provided the minor is of sufficient competency to sign the request for payment and to understand the nature of the transaction. In general, the fact that the request for payment has been signed by a minor and certified will be accepted as sufficient proof of competency and understanding.

§ 360.63 Payment to a parent or other person on behalf of a minor.

(a) If the owner of a savings bond is a minor and the form of registration does not indicate that there is a representative of his or her estate, and if the minor is not of sufficient competency to sign the request for payment and to understand the nature of the transaction, payment will be made to either parent with whom the minor resides or to whom legal custody has been granted. If the minor does not reside with either parent, payment will be made to the person who furnishes the chief support for the minor.

(b) The request must appear on the back of the bond in one of the following forms:

(1) Request by parent:

I certify that I am the mother of John C. Jones (with whom he resides) (to whom legal custody has been granted). He is ____ years of age and is not of sufficient understanding to make this request.

Mary Jones on behalf of John C. Jones

(2) Request by other person:

I certify that John C. Jones does not reside with either parent and that I furnish his chief support. He is ____ years of age and is not of sufficient understanding to make this request.

Alice Brown, grandmother, on behalf of John C. Jones

§ 360.64 Payment or reinvestment—voluntary guardian of an incapacitated person.

(a) *Payment of bonds.* (1) When an adult owner of bonds is incapable of requesting payment as a result of incapacity and there is no other person legally qualified to do so, the relative, or other person, responsible for the owner's care and support may submit an application for recognition as voluntary guardian for the purpose of redeeming the owner's bonds, if the total redemption value of all of the owner's bonds does not exceed $20,000. The bonds and application should be submitted to a designated Federal Reserve Bank or the Bureau of the Public Debt.

(2) The redemption value of the bonds shall be determined as of the date the bonds are received, accompanied by an appropriate request for payment. If the total redemption value exceeds $20,000, a legal representative must be appointed, as set forth in § 360.60.

(b) *Reinvestment of bonds.* (1) If the bonds have matured and ceased earning interest, they may be redeemed and the proceeds reinvested in any other savings bonds available. The new bonds must be registered in the name of the incapacitated person, followed by words showing that he or she is under voluntary guardianship; for example, ''John Jones 123–45–6789, under voluntary guardianship''. A living coowner or beneficiary named on the matured bonds must be designated on the new bonds, unless such person furnishes a certified statement consenting to omission of his or her name.

(2) If an amount insufficient to purchase an additional bond of any authorized denomination of savings bond remains after the reinvestment, the voluntary guardian may furnish additional funds sufficient to purchase another savings bond of the lowest available denomination. If additional funds are not furnished, the remaining amount will be paid to the voluntary guardian for the use and benefit of the incapacitated person.

§ 360.65 Reissue.

A bond on which a minor or other person under legal disability is named as the owner or coowner, or in which he or she has an interest, may be reissued under the following conditions, but only in accordance with subpart H of this part:

(a) A minor for whose estate no representative has been appointed may request reissue if the minor is of sufficient competency to sign his or her name to the request and to understand the nature of the transaction.

(b) Except to the extent provided in paragraph (a) of this section, reissue will be restricted to a form of registration which does not adversely affect the existing ownership or interest of a minor or other person under legal disability. Requests for reissue should be executed by the person authorized to request payment under §§ 360.60 and 360.63, or the person who may request recognition as voluntary guardian under § 360.64.

Subpart K—Deceased Owner, Coowner or Beneficiary

§ 360.70 General rules governing entitlement.

The rules in this section govern ownership or entitlement where one or both of the persons named on a bond have died without the bond having been surrendered for payment or reissue. Proof of death may be in the form of a properly completed Public Debt Form or death certificate, or other evidence as required by the Bureau of the Public Debt.

(a) *Single owner bond.* If the owner of a bond registered in single ownership form has died, the bond becomes the property of that decedent's estate, and payment or reissue will be made as provided in this subpart.

(b) *Coowner bond*—(1) *One coowner deceased.* If one of the coowners named on a bond has died, the surviving coowner will be recognized as the sole and absolute owner, and payment or reissue will be made as though the bond were registered in the name of the survivor alone. Any request for reissue by the surviving coowner must be supported by proof of death of the other coowner.

(2) *Both coowners deceased.* If both coowners named on a bond have died, the bond becomes the property of the estate of the coowner who died last, and

payment or reissue will be made as if the bond were registered in the name of the last deceased coowner alone. Proof of death of both coowners will be required to establish the order of death.

(3) *Simultaneous death of both coowners.* If both coowners die under conditions where it cannot be established, either by presumption of law or otherwise, which coowner died first, the bond becomes the property of the estates of both equally, and payment or reissue will be made accordingly.

(c) *Beneficiary bond*—(1) *Owner deceased.* If the owner of a bond registered in beneficiary form has died and is survived by the beneficiary, upon proof of death of the owner, the beneficiary will be recognized as the sole and absolute owner of the bond. Payment or reissue will be made as though the bond were registered in the survivor's name alone. A request for payment or reissue by the beneficiary must be supported by proof of death of the owner.

(2) *Beneficiary deceased.* If the beneficiary's death occurs before, or simultaneously with, that of the registered owner, payment or reissue will be made as though the bond were registered in the owner's name alone. Proof of death of the owner and beneficiary is required to establish the order of death.

(d) *Nonresident aliens.* If the person who becomes entitled to a bond because of the death of an owner is an alien who is a resident of an area with respect to which the Department of the Treasury restricts or regulates the delivery of remittances, including checks and electronic payments, drawn against funds of the United States or its agencies or instrumentalities, delivery of the redemption payment will not be made so long as the restriction applies. See Department of the Treasury Circular No. 655, current revision (31 CFR part 211).

§ 360.71 Estate administered.

(a) *During administration.* The court-appointed or otherwise legally qualified representative of an estate may request payment of bonds, including any bond redemption proceeds, that are the property of the estate or may have the bonds reissued in the names of persons entitled to share in the estate. The representative should use the procedure and Public Debt Form referred to in § 360.72 to request payment or reissue. The representative's request may instead be supported by evidence of authority in the form of a court certificate or a certified copy of the representative's letters of appointment which must be dated within six months of the date of presentation of the bond, unless the evidence shows that the appointment was made within one year prior to presentation of the bond.

(b) *After administration.* If the decedent's estate has been settled through judicial proceedings, bonds, including any bond redemption proceeds, that are the estate's property, will be paid, or the bonds will be reissued, upon the request of persons entitled. Persons entitled should use the procedure and the Public Debt Form referred to in § 360.72 to request payment or reissue. A request by persons entitled may be supported by a certified copy of the court-approved final account for the estate, the court's decree of distribution, or other pertinent court records.

§ 360.72 Procedures for the payment or reissue of bonds that are property belonging to a decedent's estate.

(a) If bonds are the property of the estate of a decedent in accordance with § 360.70, the bonds and any redemption proceeds shall be paid, or the bonds shall be reissued, in accordance with the rules in this part, pursuant to an appropriate request.

(b) Bonds shall be reissued or proceeds distributed in the following order of precedence:

(1) To the court-appointed or otherwise legally qualified representative of the last deceased bond registrant's estate;

(2) To the persons entitled after the estate of the last deceased bond registrant has been settled, and the court has discharged the representative;

(3) To the persons entitled to share in the estate of the last deceased bond registrant's estate in accordance with State law relating to summary settlement of decedents' estates or settlement of small estates of decedents when no representative has been appointed by the court and none is to be appointed;

(4) To the surviving spouse if no representative has been appointed by the court, none is to be appointed, and there is no surviving child or descendant of a deceased child of the decedent;

(5) To the surviving spouse to the extent of one-half and the child or children of the decedent, and the descendants of deceased children by representation, to the extent of one-half if there are both a surviving spouse and a child, children, or descendants of deceased children, no representative has been appointed by the court, and none is to be appointed, or by the agreement of all the persons entitled in this class;

(6) To the child or children of the decedent, and the descendants of deceased children by representation, if there is no surviving spouse, no representative has been appointed by the court, and none is to be appointed;

(7) To the parents if none of the above;

(8) To the brothers and sisters and descendants of deceased brothers and sisters by representation if none of the above;

(9) To other next-of-kin as determined by the laws of the domicile at the time of death if none of the above;

(10) To persons related to the decedent by marriage, *i.e.,* heirs of a spouse of the last deceased registrant where such spouse predeceased that registrant, if none of the above;

(11) To the person who paid the burial and funeral expenses, or a creditor of the decedent's estate, but payment may be made only to the extent and to the proportion the person has not been reimbursed, and reissue will not be permitted, if none of the above;

(12) Escheat.

(c) Payments made pursuant to this section shall be made as set out in paragraph (b) of this section either to a person individually, or individually and for the account of other persons entitled of the same class. A person receiving payment of bond proceeds individually and for the account of other persons shall agree, and be obligated, to make fair and proper distribution of such proceeds to such other persons. The provisions of this section are for the convenience of the Department of the Treasury and do not purport to determine ownership of the bonds or of their proceeds. The Department of the Treasury, Bureau of the Public Debt, Federal Reserve Banks, and any authorized paying agents may rely on the information provided by the person who requests payment or reissue, and shall not be liable for any action taken as set out in this section, in accordance with the information so furnished.

Subpart L—Fiduciaries

§ 360.75 Payment or reissue during the existence of the fiduciary estate.

(a) *Request from the fiduciaries named in the registration.* A request for reissue or payment signed by at least one, but less than all, of the fiduciaries named in the registration shall be deemed sufficient and acceptable proof that less than all of the fiduciaries may properly execute the request. If the fiduciaries named in the registration are still acting, no further evidence will be required. In other cases, *i.e.,* cases in which the fiduciary is not designated by

name and title in the bond registration or a fiduciary designated in the bond registration is no longer acting, the request must be made in accordance with Subparts J and K of this part.

(b) *Corporate fiduciaries.* If a bond is registered in the name of a public or private corporation, such as a financial institution, or a governmental body as fiduciary, the request must be signed by an authorized officer in the name of the organization as fiduciary. Ordinarily, a signed and certified request will be accepted without further evidence.

(c) *Trustee of a common trust fund.* A bond held by a financial institution as a trustee may be reissued in the name of the institution as trustee of its common trust fund to the extent that participation in the common trust fund is authorized by law or regulation. The request for reissue should be executed by the institution and any co-trustee.

(d) *Successor fiduciary.* If the fiduciary in whose name the bond is registered has been replaced by another fiduciary, a properly executed form or satisfactory evidence of successorship should be furnished.

§ 360.76 Payment or reissue after termination of the fiduciary estate.

A bond registered in the name or title of a fiduciary may be paid or reissued to the person who has become entitled by reason of the termination of an estate, other than a decedent's estate (see Subpart K of this part). Requests for reissue made by a fiduciary pursuant to the termination of a fiduciary estate should be made on the appropriate form. Requests for payment or reissue by other than the fiduciary must be accompanied by evidence to show that the person has become entitled in accordance with applicable State law or otherwise. When two or more persons have become entitled, the request for payment or reissue must be signed by each of them.

Subpart M—Miscellaneous Provisions

§ 360.90 Waiver of regulations.

The Commissioner of the Public Debt, as designee of the Secretary of the Treasury, may waive or modify any provision or provisions of the regulations in this part. He or she may do so in any particular case or class of cases for the convenience of the United States or in order to relieve any person or persons of unnecessary hardship:

(a) If such action would not be inconsistent with law or equity;

(b) If it does not impair any material existing rights; and

(c) If he or she is satisfied that such action would not subject the United States to any substantial expense or liability.

§ 360.91 Additional requirements; bond of indemnity.

The Commissioner of the Public Debt, as designee of the Secretary of the Treasury, may require:

(a) Such additional evidence as he or she may consider necessary or advisable; or

(b) A bond of indemnity, with or without surety, in any case in which he or she may consider such a bond necessary for the protection of the interests of the United States.

§ 360.92 Supplements, amendments, or revisions.

The Secretary of the Treasury may at any time, or from time to time, prescribe additional, supplemental, amendatory, or revised rules and regulations governing United States Savings Bonds.

[FR Doc. 98–18621 Filed 7–8–98; 4:13 pm]

BILLING CODE 4810–39–P

federal register

Tuesday
July 14, 1998

Part IV

Department of the Interior

Fish and Wildlife Service

Notice of Intent To Prepare a Comprehensive Conservation Plan and Environmental Assessment for Arthur R. Marshall Loxahatchee National Wildlife Refuge in Palm Beach, County, Florida, and Hobe Sound National Wildlife Refuge in Martin County, Florida; Notice

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

Arthur R. Marshall Loxahatchee National Wildlife Refuge

ACTION: Notice of intent to prepare a Comprehensive Conservation Plan and Environmental Assessment for Arthur R. Marshall Loxahatchee National Wildlife Refuge in Palm Beach, County, Florida, and Hobe Sound National Wildlife Refuge in Martin County, Florida, and notice of meeting to seek public participation.

SUMMARY: This notice advises the public that the Fish and Wildlife Service, Southeast Region, intends to gather information necessary to prepare a Comprehensive Conservation Plan and an Environmental Assessment for Arthur R. Marshall Loxahatchee National Wildlife Refuge, Florida, and Hobe Sound National Wildlife Refuge, Florida. The Service is furnishing this notice in compliance with Service comprehensive conservation planning policy, the National Environmental Policy Act, and implementing regulations to achieve the following:

(1) Advise other agencies and the public of our intentions, and

(2) obtain suggestions and information on the scope of issues, opportunities, and concerns for inclusion in the environmental assessment.

DATES: A public meeting concerning Arthur R. Marshall Loxahatchee National Wildlife Refuge will be held at 7 p.m. on August 17, 1998, at the Boynton Beach Civic Center, located at 128 East Ocean Avenue, Boynton Beach, Florida. A public meeting concerning Hobe Sound National Wildlife Refuge will be held at 7 p.m. on August 18, 1998, at the Hobe Sound Civic Center, located at 8980 Southeast Olympus Avenue, Hobe Sound, Florida.

ADDRESSES: Address comments and requests for more information to: Refuge Manager, Arthur R. Marshall Loxahatchee National Wildlife Refuge, U.S. Fish and Wildlife Service, 10216 Lee Road, Boynton Beach, Florida 33437–4796.

SUPPLEMENTARY INFORMATION: Arthur R. Marshall Loxahatchee National Wildlife Refuge, located 15 miles southwest of West Palm Beach, Florida, consists of 221 square miles of the remaining northern Everglades. The refuge is one of three large freshwater storage areas surrounded by levees and canals. These storage areas, built by the U.S. Army Corps of Engineers, were later placed under the jurisdiction of the South Florida Water Management District. The primary objective of the refuge, established through an agreement between the Service and the South Florida Water Management District, is to maintain suitable habitat for a variety of wildlife native to the northern Everglades. Sawgrass marshes, wet prairies, sloughs, and free islands compose more than 90 percent of the area's unique wetlands. The refuge also provides critical habitat for the snail kite, American alligator, and neotropical birds as well as numerous other threatened and endangered species.

Hobe Sound National Wildlife Refuge, located 25 miles north of West Palm Beach, Florida, consists of a 735-acre island tract and a 232-acre mainland tract. The island tract consists of mangrove swamps and coastal sand dunes, and the mainland tract consists of sand pine-scrub oak forests. The sand dunes provide critical nesting habitat for loggerhead turtles. The refuge is also important to numerous endangered and threatened species such as the eastern indigo snake, the Florida scrub jay, and the gopher tortoise.

Dated: July 8, 1998.

Judy L. Jones,

Acting Regional Director.

[FR Doc. 98–18670 Filed 7–13–98; 8:45 am]

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federal register

Tuesday
July 14, 1998

Part V

Department of Education

Privacy Act of 1974; Computer Matching Program; Notice

DEPARTMENT OF EDUCATION

Privacy Act of 1974; Computer Matching Program

AGENCY: Department of Education.

ACTION: Notice—Computer Matching between the U.S. Department of Education and the Social Security Administration.

SUMMARY: Pursuant to the Computer Matching and Privacy Protection Act of 1988, Pub. L. 100–503, and the Office of Management and Budget (OMB) Guidelines on the Conduct of Matching Programs, notice is hereby given of the computer matching program between the U.S. Department of Education (ED) (the recipient agency), and the Social Security Administration (SSA) (the source agency).

Notice of the matching program was originally published in the **Federal Register** on December 1, 1995 (60 FR 61687); the program was effective on January 1, 1996. Duration was 18 months plus a one-year extension permitted by the Privacy Act of 1974, as amended by the Computer Matching and Privacy Protection Act of 1988 (5 U.S.C. 522a(o)(2)(D)). The one-year extension will expire on July 7, 1998. The following notice represents the approval of a new agreement by the SSA and ED Data Integrity Boards to continue the matching program on the effective date as indicated below.

In accordance with the Privacy Act of 1974 (5 U.S.C. 552a), as amended by the Computer Matching and Privacy Protection Act of 1988 (Pub. L. 100–503), the Office of Management and Budget (OMB) Final Guidelines on the Conduct of Matching Programs (see 54 FR 25818, June 19, 1989), and OMB Circular A–130, the following information is provided:

1. Names of Participating Agencies

The U.S. Department of Education and the Social Security Administration.

2. Purpose of the Match

The purpose of the match is to verify any social security number (SSN) and citizenship status provided by an applicant for student financial assistance. Section 484(p) of the Higher Education Act of 1965, as amended (HEA) requires the Secretary of Education, in cooperation with the Commissioner of the Social Security Administration (SSA), to verify any SSN provided by an applicant for assistance under title IV of that Act. Section 484(g) of the HEA requires the Secretary to verify statements provided by title IV applicants with regard to their citizenship and immigration status using an automated or other system, with other Federal agencies that may be in possession of information relevant to such statements and supporting documentation.

This matching program provides an efficient and comprehensive method of verifying the accuracy of each applicant's SSN and claim to U.S. citizenship for the purpose of meeting eligibility requirements under the title IV programs. The matching program quickly identifies those applicants whose records indicate that they may not be U.S. citizens, who do not have valid SSNs or proof of U.S. citizenship to receive title IV funds.

3. Authority for Conducting the Matching Program

Sections 484(g) and (p) of the HEA; section 1106(a) of the Social Security Act.

4. Categories of Records and Individuals Covered by the Match

ED will submit for verification from its Central Processing System files the SSN and other identifying information for each applicant for title IV assistance. This information will be matched against the SSA Numident, which contains the SSN, citizenship status and identifying information for all SSN holders.

5. Effective Dates of the Matching Program

The matching program will become effective 40 days after a copy of the agreement, as approved by the Data Integrity Board of each agency, is sent to Congress and the Office of Management and Budget (OMB) (or later if OMB objects to some or all of the agreement), or 30 days after publication of this notice in the **Federal Register**, whichever date is later. The matching program will continue for 18 months after the effective date and may be extended for an additional 12 months thereafter, if the conditions specified in 5 U.S.C. 522a(o)(2)(D) have been met.

6. Address for Receipt of Public Comments or Inquiries

Individuals wishing to comment on this matching program or obtain additional information about the program including a copy of the computer matching agreement between ED and SSA should contact Ms. Edith Bell, Program Specialist, Policy Development Division, U.S. Department of Education, 600 Independence Avenue SW, (Room 3053, ROB–3), Washington, DC 20202–5447, Telephone (202) 708–8242. Written comments should be submitted to Ms. Bell at this address.

Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 between 8 a.m. and 8 p.m., Eastern time, Monday through Friday. Individuals with disabilities may obtain this document in an alternate format (e.g., Braille, large print, audiotape, or computer diskette) on request to the contact person listed in the previous paragraph.

Electronic Access to This Document

Anyone may view this document, as well as all other Department of Education documents published in the **Federal Register**, in text or portable document format (pdf) on the World Wide Web at either of the following sites:

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Anyone may view these documents in text copy only on an electronic bulletin board of the Department. Telephone: (202) 219–1511 or, toll free, 1–800–222–4922. The documents are located under Option G—Files/Announcements, Bulletins and Press Releases.

Note: The official version of this document is the document published in the **Federal Register**.

Dated: July 6, 1998.

David A. Longanecker,

Assistant Secretary for Postsecondary Education.

[FR Doc. 98–18698 Filed 7–13–98; 8:45 am]

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federal register

Tuesday
July 14, 1998

Part VI

Department of Labor

Mine Safety and Health Administration

30 CFR Part 75

Safety Standards for Underground Coal Mine Ventilation; Proposed Rule

DEPARTMENT OF LABOR

Mine Safety and Health Administration

30 CFR Part 75

RIN 1219–AB10

Safety Standards for Underground Coal Mine Ventilation

AGENCY: Mine Safety and Health Administration (MSHA), Labor.

ACTION: Proposed rule.

SUMMARY: MSHA is proposing to amend the examination interval for preshift examinations of underground coal mines by requiring preshift examinations to be conducted at 8-hour intervals. After MSHA promulgated a comprehensive revision of its ventilation standards in March of 1996, the United States Court of Appeals for the District of Columbia Circuit (Court) reviewed the validity of the rule. On June 17, 1997, the Court issued an order invalidating, on procedural grounds only, the provision relating to the interval for preshift examinations. This proposed rule would be essentially the same as the standard that was promulgated in 1996 and invalidated by the Court on procedural grounds. The proposed rule would clarify both when a preshift examination would be required and the length of the shift covered by the preshift examination.

DATES: Comments must be submitted on or before September 14, 1998. Submit written comments on the information collection no later than September 14, 1998.

ADDRESSES: Comments by electronic mail must be clearly identified as such and sent to this e-mail address: comments@msha.gov. Comments by fax must be clearly identified as such and sent to: MSHA, Office of Standards, Regulations, and Variances, 703–235–5551. Send mail comments to: MSHA, Office of Standards, Regulations, and Variances, 4015 Wilson Boulevard, Room 631, Arlington, VA 22203–1984. Commenters are encouraged to submit comments to MSHA on a computer disk along with their original comments in hard copy. Submit written comments on the information collection requirement to MSHA at the address above and to the Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Bldg., 725 17th St. NW., Rm. 10235, Washington, DC 20503, Attn: Desk Officer for MSHA.

FOR FURTHER INFORMATION CONTACT: Patricia W. Silvey, Director, Office of Standards, Regulations, and Variances, MSHA: 703–235–1910.

SUPPLEMENTARY INFORMATION:

I. Paperwork Reduction Act

This proposed rule contains an information collection which is subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (PRA 95). The title, description, and respondent description of the information collection are shown below with an estimate of the annual reporting burden. Included in the estimate is the time to conduct an additional preshift examination, the time to make a record, the time to obtain a countersignature from the mine foreman or equivalent mine official, and the time to file the form.

With respect to the following collection of information, MSHA invites comments on: (1) Whether the proposed collection of information is necessary for proper performance of the functions of the Agency, including whether the information will have practical utility; (2) the accuracy of the estimate by MSHA of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility, and clarity of information to be collected; and (4) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques, when appropriate, and other forms of information technology.

Description

Section 75.360(a)(1) would require that a certified person designated by the operator make a preshift examination within 3 hours preceding the beginning of any 8-hour interval during which any person is scheduled to work or travel underground. Presently § 75.360(f) requires a record of the results of each preshift examination, including a record of hazardous conditions and their locations found by the examiner during each examination and of the results and locations of air and methane measurements. The record must also include a notation that the hazardous conditions found during the preshift examination were corrected. This record must be countersigned by the mine foreman or equivalent mine official by the end of the mine foreman's or equivalent mine official's next regularly scheduled working shift. The mine operator has the option of conducting a portion of the additional preshift examination concurrently with the on-shift examination. In this instance, the additional preshift examination essentially would consist of the examination of outby areas not covered by an on-shift examination such as travelways, work areas, and electrical installations. Because large mines generally have longer outby travelways and more outby work areas and electrical installations to be examined than small mines, the additional time to perform the preshift examination would take longer in large mines. MSHA estimates that it would take an examiner an additional hour to conduct an additional preshift examination in a large underground coal mine and an additional 45 minutes in a small underground coal mine. An examiner would take about 30 minutes to make the record in a large mine and about 15 minutes in a small mine, and the mine foreman or equivalent mine official would take about 10 minutes to review and countersign the record in a large mine and about 5 minutes in a small mine.

Description of Affected Mines

The affected mines are underground coal mines. MSHA estimates that this provision annually would affect 127 underground coal mines (75 with fewer than 20 employees and 52 with 20 or more employees).

Information Collection Burden

Based on MSHA's traditional definition of ''small mine'' as one with fewer than 20 employees, the total estimated burden for all affected mines would be 78,001 hours, and compliance costs associated with such hours would be $2,182,000. Under MSHA's traditional definition, total burden to small mines would be 13,000 hours at a cost of $361,000. Specifically, small mines' burden hours and costs consist of: 9,000 hours related to conducting the additional preshift examination at a cost of $243,000; 3,000 hours related to making the record at a cost of $81,000; and 1,000 hours related to reviewing, countersigning and filing the record at a cost of $37,000. The total burden to large mines would be 65,001 hours at a cost of $1,821,000. Large mines' burden hours and costs consist of: 39,000 hours related to conducting the preshift examination at a cost of $1,053,000; 19,500 hours related to making the record at a cost of $527,000; and 6,501 hours related to reviewing, countersigning and filing the record at a cost of $241,000.

Using the SBA definition, when a ''small mine'' is defined as a mine with 500 or fewer employees, 126 of the 127 affected mines are considered small. Under this definition, 76,751 of the 78,001 burden hours are related to small mines. The costs related to the 76,751 burden hours are $2,147,000. Of the

76,751 burden hours: 47,250 hours are related to conducting the additional preshift examination at a cost of $1,276,000; 22,125 hours are related to making a record at a cost of $598,000; and 7,376 hours are related to reviewing and countersigning the record at a cost of $273,000. Burden hours to the one large mine affected would be 1,250 hours at a cost of $35,000.

Under § 3507(o) of PRA 95, the Agency has submitted a copy of this proposed rule to OMB for its review and approval of the information collection. Interested persons are requested to send comments regarding these burden estimates or any other aspect of this information collection, including suggestions for reducing this burden to: (1) the Office of Information and Regulatory Affairs, OMB, Attn: Desk Officer for MSHA, New Executive Office Bldg., 725 17th St. NW., Rm. 10235, Washington, DC 20503; and (2) Patricia W. Silvey, Director, Office of Standards, Regulations, and Variances, MSHA, 4015 Wilson Boulevard, Room 631, Arlington, VA 22203.

II. Background

The preshift examination is a critically important, fundamental safety practice in the mining industry. It has historically been a primary means of determining the effectiveness of an underground coal mine ventilation system, and of detecting hazardous conditions and practices. The preshift examination has proven to be particularly effective because it provides a thorough safety check before work commences underground on the shift for which the examination is conducted. A preshift examination can detect developing hazards as well as existing hazards.

The Federal Mine Safety and Health Act of 1977 (Mine Act) contains interim mandatory safety standards that address preshift examinations. Interim standard § 303(d)(1) requires that preshift examinations be conducted ''within 3 hours immediately preceding the beginning of any shift * * *.'' MSHA adopted this provision as a permanent safety standard in its regulations for underground coal mines, promulgating it in 1978 as 30 CFR 75.303(a).

Section 303(d)(2) of the Mine Act is another interim standard that addresses preshift examinations. It provides that no person, other than certified persons designated to conduct the examination, is permitted to enter any underground area, except during any shift, unless a preshift examination of such area has been made within 8 hours prior to the person entering the area. Under this provision, miners already working on a shift for which a preshift has been completed may remain working underground during the subsequent preshift examination being conducted for the oncoming shift. In 1978, MSHA adopted this provision as a permanent safety standard in its regulations for underground coal mines as 30 CFR 75.303(b).

The general practice in the mining industry at the time the Mine Act was enacted was for coal miners to work in shifts of 8 hours. Thus, the effect of the preshift examination requirement was that examiners conducted preshift examinations every 8 hours. Since 1977, overlapping work shifts and work shifts of various lengths (novel work shifts) have become common, making it necessary for MSHA to address this issue in its 1992 revisions to the ventilation standards for underground coal mines.

MSHA revised its preshift examination standards as part of a final rule for ventilation standards and retained the requirement that preshift examinations are to be conducted ''within 3 hours preceding the beginning of any shift.'' However, in its preamble discussion to the 1992 ventilation final rule (57 FR 20893), MSHA interpreted this language to mean that if the mine used regular shifts that were longer than 8 hours in length, the preshift examination would apply to the entire length of the shift. The 1992 revisions continued to allow work to proceed underground during the preshift examination for the oncoming shift.

In 1994, the Agency proposed a new preshift examination rule in an attempt to clarify and standardize the application of certain provisions of the 1992 preshift examination rule. In the comments submitted to MSHA during the 1994 rulemaking, a segment of the mining community expressed concern that because of novel work schedules, preshift examinations were not being conducted frequently enough to assure safe working conditions. A second concern expressed was that conducting preshift examinations at intervals longer than 8 hours would reduce the protection afforded miners under the Mine Act. A final concern expressed was that MSHA introduced confusion into the preshift examination requirements when it interpreted the acceptable intervals for preshift examinations. Another segment of the public argued that by the language of § 303(d)(2) Congress tacitly accepted shifts longer than 8 hours with only one preshift examination required. The same segment of the public argued that a practice had built up over a period of time allowing not only longer shifts but also ''excursions'' where miners work over 8 hours under specific conditions. Finally, commenters representing both labor and industry recommended that MSHA adopt a rule requiring preshift examinations for each 8 hour period that miners are underground.

In response to these comments, the Agency substituted the phrase ''8-hour interval'' for the phrase ''beginning of any shift'' when it promulgated the 1994 proposed rule as a final rule in 1996. The 1996 standard thus required a preshift examination, ''* * * within 3 hours preceding the beginning of any 8-hour interval during which any person is scheduled to work or travel underground * * *''. MSHA also acknowledged in the preamble to the final rule (61 FR 9791) that, in accordance with longstanding practice, unplanned short excursions past the 8-hour period that occur infrequently are accepted without an additional preshift examination.

In the preamble to the 1996 final rule (61 FR 9791), MSHA discussed its rationale for adopting an 8-hour preshift examination rule. MSHA stated that:

> * * * MSHA agrees with commenters that evolution within the industry in shift scheduling has presented a number of questions and controversies regarding the standard which must be resolved to assure that proper preshift examinations are conducted within suitable time frames. Based on comments, the final rule adopts a modification to clarify and standardize the application of the preshift examination in recognition of the use of novel shifts while maintaining the protection of the existing standard. * * *
>
> Underground working schedules of three 8-hour shifts per day were virtually standard when the previous rule was implemented. Currently a substantial number of mining operations have work shifts of more than 8 hours. Other operations stagger or overlap shifts providing for continuous underground mining activities. Some mines that operate around the clock schedule persons to begin shifts at one- or two-hour intervals. In such cases, controversies and misunderstandings have developed regarding application of the current standard.

In adopting an 8-hour preshift requirement, the Agency also agreed (61 FR 9791) with comments suggesting that ''the original legislation of the Mine Act envisioned that preshift examinations would be conducted for each 8-hour interval that persons worked underground.'' MSHA reached this conclusion both from the traditional practice at the time of the legislation and from the language of § 303(d)(2) of the Mine Act.

On June 17, 1997, the United States Court of Appeals for the District of

Columbia Circuit, in *National Mining Association* v. *Mine Safety and Health Administration and Secretary of Labor (MSHA),* 116 F.3d 520, (D.C. Cir. 1997) issued an order granting a petition for review on the National Mining Association's challenge of 30 CFR 75.360(a) relating to preshift examinations. The court acknowledged that the approach used by MSHA in adopting the 8-hour time interval for the preshift examination was a reasonable one,[1] but invalidated the provision on procedural grounds due to lack of sufficient notice to the parties in the rulemaking (supra 116 F.3d 520, 530). The effect of the decision was to reinstate the portion of the previous regulation that requires a preshift examination to be conducted prior to the beginning of any shift. MSHA published a **Federal Register** document on June 30, 1997 (62 FR 35085) conforming the language of the existing standard to the Court's order.

MSHA continues to believe that it is necessary to address the issues surrounding the preshift examination interval. The standard must provide for sufficient protection, be clear in its recommendations, and be properly implemented to ensure safe working conditions in underground coal mines. Accordingly, MSHA encourages all parties to fully express their viewpoints during this rulemaking to assist the Agency in promulgating a final rule that most appropriately addresses the safety of our nation's underground coal miners.

III. Discussion

Section 75.360 Preshift Examination at Fixed Intervals

Existing § 75.360(a)(1) of the MSHA ventilation standards provides

> Except as provided in paragraph (a)(2) of this section, a certified person designated by the operator shall make a preshift examination within 3 hours preceding the beginning of any shift during which any person is scheduled to work or travel underground. No person other than certified examiners may enter or remain in any underground area unless a preshift examination has been completed for the shift.

Proposed paragraph (a)(1) would modify the existing language of § 75.360(a)(1) to require preshift examinations at fixed 8-hour intervals. It would replace the word ''shift'' with the phrase ''8-hour interval''. In addition, the proposed rule would add the sentence, ''The operator shall establish the 8-hour intervals of time subject to the required preshift examinations.''

The Agency believes that, considering the speed at which underground conditions can change, a reasonable period must be identified after which another examination is necessary. For example, methane, an explosive gas naturally occurring in coal mines, commonly builds up over time, especially in newly mined areas. Methane may also accumulate in other areas, such as where water accumulation interferes with mine ventilation. A preshift examination should result in the detection of this explosive gas and the timely correction of the condition before it reaches a hazardous level. Also, the roof and ribs tend to deteriorate over time in outby entries used as travelways and on the sections of a mine where miners are assigned to work. Roof pressures and subsequent falls can damage ventilation controls, resulting in hazardous conditions. Equipment damaged by a roof fall, including belt haulage systems or trolley wire systems, can lead to mine fires or explosions. A preshift examination provides a vehicle to detect these developing hazards.

MSHA has reviewed the history of fatalities that have occurred at underground coal mines since 1990 to determine if any of the fatalities occurred more than 8 hours after the start of the shift, and therefore may have been prevented had the proposed rule been in place. MSHA has placed in the rulemaking record 32 fatal accident reports of MSHA investigations conducted since 1990 in which the accident was identified as occurring more than 8 hours into the shift. At least six of the reports, representing seven fatalities, address instances where an additional preshift examination might have identified the hazards that resulted in the fatalities and allowed an opportunity for corrective action.[2] This is approximately 3 percent of the total number of fatalities which occurred at underground coal mines during this time period.

In reviewing these accident reports, MSHA recognizes the difficulty in determining whether an additional preshift examination would have prevented a specific fatality from occurring, particularly since prior examinations had in some cases failed to identify the hazardous conditions or practices. However, MSHA does not concede that subsequent examinations will necessarily fail in their purpose simply because one or more previous examinations may have been inadequate. A preshift examination conducted at 8-hour intervals would provide an opportunity for the examiner to identify hazardous conditions or practices that may have been overlooked in an earlier examination. It should also be noted that the conditions in a mine may have further deteriorated after 8 hours into the shift, and that the same examiner or a different examiner conducting the additional preshift examination might have identified the hazard and caused appropriate actions to be taken to correct the condition and protect the safety of the miners.

It is not the intent of the Agency that the preshift examination be a continuous examination without a beginning or an end. Once a preshift examination has been conducted, an additional preshift examination would not be necessary during the 8-hour interval covered by the preshift examination simply because persons start to work after the beginning of the normal shift start time. Under the proposed rule, persons could enter or leave the mine, regardless of their shift schedule, during any established 8-hour period for which a preshift examination has been conducted. However, another preshift examination must be completed prior to the beginning of the next 8-hour interval if any persons, other than examiners, remain in the mine during the next 8-hour interval or are scheduled to enter the mine during the oncoming interval. For example, if the established time interval for the 8-hour preshift examination covers the period from 8:00 a.m. to 4:00 p.m., no one except mine examiners may enter the mine or remain underground after 4:00 p.m. unless a preshift examination has been conducted for the 8-hour interval beginning at 4:00 p.m. As with the existing standard, no person other than examiners may enter any underground area that is subject to a preshift examination prior to the completion of the preshift examination for that area. Also, supplemental examinations continue to be required under § 75.361 before anyone enters areas of the mine that had not had a preshift examination.

The proposal would require one preshift examination at mines that operate with only one 8-hour shift per day. If the mine uses regular shifts that

[1] The Court stated, ''At the least, 30 CFR 75.360(a)(1) is a reasonable interpretation of open-ended statutory language. * * * We see no reason why we should not think of 30 CFR 75.360(a)(1) as just such an 'improved mandatory safety standard[]' issued in light of changed circumstances in the mining industry.'' (116 F.3d 520, 530)

[2] The accidents are: Linda Enterprise, Inc., #31–A mine, March 23, 1990, 1 fatality; Waco Limited Partnership No.1, No. 2 mine, December 18, 1995, 1 fatality; Miller Branch Enterprises, Inc., No. 1 mine, 1 fatality; MAG Inc., Alloy Deep Mine #2, October 2, 1993, 1 fatality; M&D Coal Co., Inc., No. 3 mine, August 15, 1996, 1 fatality; and Day Branch Coal Co., Inc., No. 9 mine, May 11, 1994, 2 fatalities.

are longer than 8 hours in length, the preshift examination would cover an 8-hour interval. The proposal would require three preshift examinations where persons are underground for more than 16 hours per day. For example, at a mine operating two 10-hour shifts per day, the proposed rule would require three examinations per day. As with the existing standard, the proposed rule would not require examinations for designated 8-hour periods when no one enters the mine. Also consistent with the existing standard, no one, except other designated preshift examiners, may accompany a preshift examiner during the examination.

MSHA recognizes that the proposed rule may cause some mine operators to perform additional examinations that are not currently required. For example, some mines operate single or multiple extended shifts of up to 14 hours each. Mines that are not currently conducting preshift examinations at 8-hour intervals during extended shifts would be impacted by the proposed rule. The proposed rule would require additional preshift examinations at these mines. During the 1996 MSHA ventilation rulemaking and subsequent litigation, a segment of the mining community expressed the view that extended and novel work shifts are being used more frequently by mine operators and that the time interval for preshift examinations should not be limited to 8 hours. The Agency solicits comments on the benefits and hazards associated with an alternative approach to preshift examinations that would permit an 8½, 9, or up to a 10-hour interval for preshift examinations. The Agency specifically solicits comments on any benefits and hazards that may be associated with this alternative approach.

Earlier comments suggested that the longstanding MSHA practice of accepting certain excursions beyond the 8-hour preshift examination time interval should be continued. MSHA has permitted excursions in the past when miners are required to stay beyond an 8-hour shift to catch up on production, perform mechanical repairs, install roof support, or as a result of a mantrip delay. The Agency solicits comments on: whether any excursions should be permitted beyond 8 hours without an additional examination; the maximum length of any such excursion; and the safety impact of such an excursion.

A commenter has stated that requiring preshift examinations every 8 hours creates overlaps and confusion with State laws, specifically the laws of West Virginia. While MSHA is not barred from promulgating otherwise appropriate safety and health standards because they may result in additional responsibilities for operators, neither does the Agency desire to impose requirements that are confusing or unduly burdensome.

A commenter in the 1996 ventilation rulemaking also suggested that the regulation should stipulate specific times for examinations, such as 12:00 midnight, 8:00 a.m., and 4:00 p.m. as the beginning of the 8-hour intervals for which preshift examinations would be required. MSHA believes there is no safety or health benefit to be gained through prohibiting operators from adopting other 8-hour intervals, e.g., 10:00 p.m., 6:00 a.m., and 2:00 p.m., to accommodate their individual operations and the proposed standard would therefore allow operators the flexibility to establish their own shift schedules. For example, an operator may elect a starting time of 11:00 a.m. for a weekend project, provided the preshift examination is conducted within the 3 hours prior to the beginning of the shift.

As proposed, the preshift examination would be conducted within 3 hours preceding the beginning of any 8-hour interval. For accuracy, the title of § 75.360 would be changed from ''Preshift examination'' to ''Preshift examination at fixed intervals.'' The text of the proposed standard and the preamble discussion of the standard would continue to refer to the examination as the ''preshift examination.'' Because of the history of the term and the widespread understanding in the industry of the safety checks required by a preshift examination, MSHA is proposing to continue the use of the term ''preshift examination'' in the body of the standard and to continue to refer to the examination as the preshift examination.

IV. Executive Order 12866 and Regulatory Flexibility Act

Executive Order 12866 requires that agencies assess both the costs and benefits of proposed regulations. MSHA has determined that this proposed rule does not meet the criteria of a significant regulatory action and, therefore, has not prepared a separate analysis of costs and benefits. All of the compliance costs of this proposed rule are paperwork related costs. Thus, the derivation of the compliance costs that are summarized in this document are contained in the paperwork package that was submitted to the Office of Management and Budget. Copies of the paperwork package are available upon request from MSHA, Office of Standards, Regulations, and Variances (703–235–1910).

Benefits

A timely preshift examination in underground coal mines is a primary method of assuring safety to miners. Coal miners rely on the preshift examination to provide protection and often take it for granted that an adequate examination has been conducted.

There is a potential for multiple fatalities in an underground coal mine when explosive quantities of methane exist or when a roof deteriorates and falls. It is extremely difficult to specifically quantify safety benefits related to a particular safety factor such as a preshift examination. Due to the hazardous environment that miners work in, an unsafe condition or work practice could jeopardize the well-being of all miners underground.

As discussed earlier, MSHA has identified seven fatalities, associated with six mining accidents that have occurred since 1990, which could potentially have been prevented if the requirements of the proposed rule were followed. This is approximately 3 percent of the total number of fatalities which occurred at underground coal mines during this time period.

During this same period of time there were 59,000 injuries for all underground coal mines. Although the reports of the accidents do not permit us to make a precise analysis of the causes of all the injuries, if we were to extrapolate using the same 3 percent that we used for fatalities the Agency predicts that 1,770 injuries might have been prevented. MSHA believes that if a preshift examination had been conducted at the intervals that would be established by the proposed rule, it is reasonable to expect that the examiners would have identified at least some of the hazardous conditions or practices resulting in the injuries and fatalities. MSHA realizes that in some cases this assumes that the additional preshift examinations would have identified hazardous conditions or practices that earlier examinations failed to recognize. However, an additional examination would afford the mine operator with another opportunity to identify hazards. MSHA believes that this position is reasonable and that subsequent examinations could discover hazardous conditions or practices, even though earlier examinations may have been inadequate. Furthermore, the requirement that a preshift examination be conducted during every 8-hour interval is not unreasonable in light of the fact that within such a time period it is possible that conditions in a mine

can deteriorate. It was in this spirit that Congress originally enacted the interim preshift examination standards which envisioned such examinations occurring for each 8-hour shift.

Therefore, MSHA has found it prudent to take a conservative approach and propose an 8-hour interval for preshift examinations to provide adequate protection for miners. This proposed rule should decrease the occurrence of fatalities, injuries, and accidents in underground coal mines.

Compliance Costs

MSHA estimates that approximately 127 underground coal mine operators would need to conduct an additional preshift examination. Based on a small mine definition of fewer than 20 employees, about 75 of the mines are small mines and 52 are large mines. The mine operator has the option of conducting a portion of the additional preshift examination concurrently with the on-shift examination. Therefore, the compliance costs of the additional preshift examination essentially consist of the cost of the examination of outby areas not covered by an on-shift examination, such as travelways, work areas, and electrical installations.

The proposed rule is estimated to cost about $2,182,000 per year, of which small mine operators (those with fewer than 20 employees) would incur about $361,000 per year and large mine operators would incur $1,821,000 per year.

V. Regulatory Flexibility Act (RFA) and Small Business Regulatory Enforcement Fairness Act (SBREFA)

The RFA requires regulatory agencies to consider a rule's impact on small entities. Under the SBREFA amendments to the RFA, MSHA must use the Small Business Administration (SBA) definition for a small mine of 500 or fewer employees or, after consultation with the SBA Office of Advocacy, establish an alternative definition for the mining industry by publishing that definition in the **Federal Register** for notice and comment. MSHA traditionally has considered small mines to be those with fewer than 20 employees. For the purposes of the RFA and this certification, MSHA has analyzed the impact of the proposed rule on all affected mines with 500 or fewer employees, as well as on those with fewer than 20 employees.

The Agency has provided a copy of this proposed rule and regulatory flexibility certification statement to the SBA Office of Advocacy. In addition, MSHA will mail a copy of the proposed rule, including the preamble and regulatory flexibility certification statement, to all mine operators and miners' representatives.

Regulatory Flexibility Certification

In accordance with section 605 of the RFA, MSHA certifies that this proposed rule would not have a significant economic impact on a substantial number of small entities. No small governmental jurisdictions or nonprofit organizations are affected.

Under the SBREFA amendments to the RFA, MSHA must include a factual basis in the proposed rule for this certification. The Agency also must publish the regulatory flexibility certification in the **Federal Register**, along with its factual basis, followed by an opportunity for comment by the public.

Factual Basis for Certification

The underlying data in Table I shows that the compliance costs of this proposed rule does not exceed 1 percent of the estimated revenues of the underground coal mines affected by this proposed rule. When small underground coal mines affected by this proposed rule are defined as those that employ fewer than 20 employees, then small mines account for about $361,000 of the total compliance costs and estimated revenues of such mines are approximately $50.2 million. Thus compliance costs as a percent of estimated revenues for the affected mines are 0.72 percent. When small underground coal mines affected by this proposed rule are defined as those that employ 500 or fewer employees, then small mines account for $2,147,000 of the total compliance costs and estimated revenues of such mines are approximately $641,237,000. In this case compliance costs as a percentage of estimated revenues for the affected mines are 0.33 percent.

TABLE I.—COSTS AND REVENUES FOR AFFECTED UNDERGROUND COAL MINES

Section 75.360(a)(1)	Proposed rule costs (thous.)	Estimated revenues of affected mines (thous.)	Costs as percent of revenues
Small Mines (<20)	$361	$50,200	0.72
Small Mines (≤500)	$2,147	$641,237	0.33

This proposed rule would not have a significant impact on a substantial number of small entities that are affected by this rule.

VI. Unfunded Mandates and Executive Order 12875

For purposes of the Unfunded Mandates Reform Act of 1995, as well as E.O. 12875, this proposed rule does not include any Federal mandate that may result in increased expenditures by State, local, and tribal governments, or increased expenditures by the private sector of more than $100 million.

VII. Executive Order 13045

In accordance with Executive Order 13045, MSHA has evaluated the environmental health or safety effect of the proposed rule on children. The Agency has determined that the proposal will have no effect on children.

List of Subjects in 30 CFR Part 75

Mine safety and health, Reporting and recordkeeping requirements, Underground coal mining, Ventilation.

Dated: July 8, 1998.

J. Davitt McAteer,

Assistant Secretary for Mine Safety and Health.

Accordingly, it is proposed to amend part 75, subchapter O, chapter I, title 30 of the Code of Federal Regulations as follows:

PART 75—MANDATORY SAFETY STANDARDS—UNDERGROUND COAL MINES

1. The authority citation for part 75 continues to read as follows:

Authority: 30 U.S.C. 811.

2. In subpart D of Part 75, in § 75.360, revise the section heading and paragraph (a)(1) to read as follows:

§ 75.360 Preshift examination at fixed intervals.

(a)(1) Except as provided in paragraph (a)(2) of this section, a certified person designated by the operator shall make a preshift examination within 3 hours preceding the beginning of any 8-hour interval during which any person is scheduled to work or travel underground. No person other than certified examiners may enter or remain in any underground area unless a preshift examination has been completed for the established 8-hour interval. The operator shall establish 8-hour intervals of time subject to the required preshift examinations.

* * * * *

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Federal Register

Vol. 63, No. 134

Tuesday, July 14, 1998

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FEDERAL REGISTER PAGES AND DATES, JULY

35787–36150 1
36151–36338 2
36339–36540 6
36541–36830 7
36831–37058 8
37059–37242 9
37243–37474 10
37475–37754 13
37755–38072 14

CFR PARTS AFFECTED DURING JULY

At the end of each month, the Office of the Federal Register publishes separately a List of CFR Sections Affected (LSA), which lists parts and sections affected by documents published since the revision date of each title.

3 CFR

Proclamations:
7107 36531

Executive Orders:
11958 (Amended by EO 13091) 36153
12163 (Amended by EO 13091) 36153
13090 36151
13091 36153

Administrative Orders:
Presidential Orders:
No. 98–31 36149

5 CFR

Proposed Rules:
2420 35882
2421 35882
2422 35882
2423 35882
2470 35882
2472 35882

7 CFR

2 35787
272 37755
275 37755
301 36155
457 .....36156, 36157
911 37475
915 37475
1361 37755
1371 37755
1980 36157

Proposed Rules:
958 36194
1755 36377

8 CFR

3 36992

9 CFR

3 37480
78 37243
93 37483

10 CFR

34 37059

11 CFR

Proposed Rules:
102 37721
103 37721
106 37721

12 CFR

208 37630
209 37659
216 37665
250 37630
360 37760
611 36541
614 36541
620 36541
630 36541
904 37483

14 CFR

39 .....35787, 35790, 35792, 35793, 35794, 35796, 36158, 36549, 36551, 36553, 36831, 36832, 36834, 36835, 36836, 37061, 37063, 37761, 37763, 37765
71 .....36161, 36554, 36838, 36839, 36840, 36841, 36843, 36844, 36845, 37065, 37489, 37943
95 37243
97 .....36162, 36165, 36170

Proposed Rules:
27 37745
29 37745
39 .....35884, 36377, 36619, 36621, 36622, 36624, 36626, 36628, 36630, 36864, 37072, 37074, 37078, 37080, 37083, 37508, 37793, 37795
65 .....37171, 37210
66 .....37171, 37210
71 37510
147 37171

15 CFR

280 37170
740 37767
746 37767
774 37767
902 37246
922 36339

16 CFR

0 36339
1 36339
3 36339
303 36171
304 36555
432 37233

Proposed Rules:
432 37237

17 CFR

240 .....37667, 37688

Proposed Rules:
210 35886
229 35886
230 36136
240 .....35886, 36138, 37746
249 35886
275 36632
279 36632

19 CFR

162 .....35798, 36992

178.....35798, 36992
Proposed Rules:
4.....036379

20 CFR

404.....36560
416.....36560

21 CFR

101.....37029
172.....36344, 36362
175.....37246
177.....36175
178 .....35798, 36176, 36177
510.....36178
520.....36178
558.....36179
Proposed Rules:
120.....37057

22 CFR

40.....36365
41.....36365
140.....36571

25 CFR

Proposed Rules:
61.....36866

26 CFR

1.....36180
48.....35799
145.....35799
602.....35799
648.....36180
Proposed Rules:
1.....37296
48.....35893
301.....37296

27 CFR

178.....37739

28 CFR

0.....36846
16.....36295

30 CFR

250.....37066
901.....35805
948.....37774
Proposed Rules:
72.....37796
75.....37796, 38065
206.....36868
944.....36868

31 CFR

103.....37777
317.....38035
321.....38035
330.....38035
357.....35807
359.....38035
360.....38035
501.....35808
515.....35808
538.....35809
560.....35808
Proposed Rules:
103.....37085

32 CFR

204.....36992
588.....37068
Proposed Rules:
199.....36651
655.....37296

33 CFR

Ch. I.....36384
100 .....36181, 36182, 36183, 36849, 36850, 37249, 37490, 37491
117 .....35820, 37250, 37251
155.....35822
165.....36851, 37492
401.....36992
402.....36992
Proposed Rules:
100.....36197
110.....37297

34 CFR

74.....36144
80.....36144
Proposed Rules:
304.....37465
668.....37713

36 CFR

327.....35826
1220.....35828
1222.....35828
1228.....35828
1230.....35828
1234.....35828
1238.....35828

37 CFR

1.....36184

38 CFR

4.....37778
17.....37779
21.....35830
Proposed Rules:
17.....37299

39 CFR

20.....37251
111.....37254, 37945

40 CFR

52 .....35837, 35839, 35842, 36578, 36578, 36852, 36854, 37255, 37493
62.....36858
81.....37258
180 .....35844, 36366, 37280, 37286, 37289
261.....37780
271.....36587
279.....37780
300 .....36861, 37069, 37782
Proposed Rules:
52 .....35895, 35896, 36652, 36870, 37307
62.....36871
131.....36742
136.....36810
141.....37797
142.....37797
180.....37307
261.....37797
264.....37309
265.....37309
271.....36652
281.....37311
300.....37085

41 CFR

101–20.....35846

42 CFR

121.....35847
409.....37498
410.....37498
411.....37498
413.....37498
422.....36488
424.....37498
483.....37498
489.....37498

44 CFR

64.....37783
65.....37784
67.....37786
Proposed Rules:
67.....37808

45 CFR

303.....36185

46 CFR

401.....37943
402.....37943
Proposed Rules:
502.....35896
503.....35896
510.....35896
514.....35896, 37088
540.....35896
572.....35896
585.....35896
587.....35896
588.....35896

47 CFR

0.....37499
1.....35847, 36591
2.....36591
5.....36591
15.....36591
18.....36591
21.....36591
22.....36591
24.....36591
26.....36591
63.....37499
64.....36191, 37069
73 .....36191, 36192, 36591
74.....36591
76.....37790
78.....36591
80.....36591
87.....36591
90.....36591
95.....36591
97.....36591
101.....36591
Proposed Rules:
2.....35901
73 .....36199, 36387, 37090
76.....37812, 37815

48 CFR

Ch. 1.....36128
1.....36120
12.....36120
15.....36120
19.....36120
52.....36120
53.....36120
235.....36862
Proposed Rules:
13.....36522
16.....36522
32.....36522
52.....36522

49 CFR

171.....37453
172.....37453
173.....37453
175.....37453
177.....37453
178.....37453
180.....37453
191.....37500
192.....37500
193.....37500
194.....37500
195.....36373, 37500
199.....36862
223.....36376
Proposed Rules:
571.....37820

50 CFR

285.....36611, 37506
600.....36612
622.....37070, 37246
660.....36612, 36614
679 .....36193, 36863, 37071, 37507
Proposed Rules:
17.....36993

REMINDERS

The items in this list were editorially compiled as an aid to Federal Register users. Inclusion or exclusion from this list has no legal significance.

RULES GOING INTO EFFECT JULY 14, 1998

AGRICULTURE DEPARTMENT

Agricultural Marketing Service

Limes and avocados grown in—

Florida; published 7-13-98

AGRICULTURE DEPARTMENT

Animal and Plant Health Inspection Service

Animal welfare:

Primary enclosures for dogs and cats; published 7-13-98

AGRICULTURE DEPARTMENT

Acquisition regulations:

Alternative Agricultural Research & Commercialization Corp.; set-asides and preferences for selected biobased products; policy and procedures establishment; published 5-15-98

Miscellaneous amendments; published 5-15-98

COMMERCE DEPARTMENT

Export Administration Bureau

Export administration regulations:

Foreign policy-based export controls; Serbia and Montenegro; published 7-14-98

ENVIRONMENTAL PROTECTION AGENCY

Antarctica; environmental impact assessment of nongovernmental activities; published 4-15-98

Hazardous waste program authorization:

Oklahoma; published 4-30-98

Hazardous waste:

Identification and listing—

Recycled used oil management standards; published 7-14-98

Superfund program:

National oil and hazardous substances contingency plan—

National priorities list update; published 7-14-98

INTERIOR DEPARTMENT

Surface Mining Reclamation and Enforcement Office

Permanent program and abandoned mine land reclamation plan submissions:

West Virginia; published 7-14-98

NORTHEAST DAIRY COMPACT COMMISSION

Rulemaking procedures and producer referendum; published 7-14-98

TRANSPORTATION DEPARTMENT

Federal Aviation Administration

Airworthiness directives:

Airbus; published 6-9-98

Alexander Schleicher Segelflugzeugbau; published 6-4-98

Eurocopter France; published 6-9-98

VETERANS AFFAIRS DEPARTMENT

Medical benefits:

Non VA physicians; allowance for drug prescriptions to be filled by non-VA pharmacies in state homes under VA contracts; published 7-14-98

COMMENTS DUE NEXT WEEK

AGRICULTURE DEPARTMENT

Animal and Plant Health Inspection Service

Plant-related quarantine, domestic:

Mediterranean fruit fly; comments due by 7-20-98; published 5-19-98

AGRICULTURE DEPARTMENT

Food and Nutrition Service

Child nutrition programs:

Women, infants, and children; special supplemental nutrition program—

Vendor disqualification; comments due by 7-20-98; published 4-20-98

Food stamp program:

Electronic benefits transfer system; adjustments; comments due by 7-20-98; published 5-19-98

COMMERCE DEPARTMENT

National Oceanic and Atmospheric Administration

Fishery conservation and management:

West Coast States and Western Pacific fisheries—

Bottomfish and seamount groundfish; comments due by 7-20-98; published 6-3-98

Pacific coast groundfish; comments due by 7-22-98; published 7-7-98

Pacific Halibut Commission, International:

Pacific halibut fisheries—

Halibut charterboat fishery; control date; comments due by 7-24-98; published 6-24-98

DEFENSE DEPARTMENT

Vocational rehabilitation and education:

Veterans education—

Educational assistance; advance payments and lump-sum payments; comments due by 7-20-98; published 5-20-98

EDUCATION DEPARTMENT

Postsecondary education:

Fulbright-Hays doctoral dissertation research abroad fellowship program, etc.; comments due by 7-20-98; published 6-19-98

ENVIRONMENTAL PROTECTION AGENCY

Air pollutants, hazardous; national emission standards:

Primary copper smelters; comments due by 7-20-98; published 6-2-98

Wood furniture manufacturing operations; comments due by 7-24-98; published 6-24-98

Air quality implementation plans; approval and promulgation; various States:

California; comments due by 7-20-98; published 6-18-98

Georgia; comments due by 7-24-98; published 6-24-98

Ohio; comments due by 7-20-98; published 6-18-98

Air quality planning purposes; designation of areas:

Idaho; comments due by 7-20-98; published 6-19-98

Clean Air Act:

Acid rain program—

Continuous emission monitoring; rule streamlining; comments due by 7-20-98; published 5-21-98

Hazardous waste:

Project XL program; site-specific projects—

OSi Specialities, Inc. plant, Sisterville, WV; comments due by 7-24-98; published 7-10-98

Pesticides; tolerances in food, animal feeds, and raw agricultural commodities:

Bacillus thuringiensis subspecies tolworthi Cry9C protein and genetic material necessary for production in corn; comments due by 7-21-98; published 5-22-98

Hydroxyethylidine diphosphonic acid; comments due by 7-21-98; published 5-22-98

Radiation protection programs:

Idaho National Enviromental and Engineering Laboratory; transuranic radioactive waste proposed for disposal at Waste Isolation Pilot Plant; DOE documents av ailability; comments due by 7-24-98; published 6-24-98

Toxic substances:

Asbestos-containing materials in schools; State waiver requests; comments due by 7-24-98; published 6-24-98

FARM CREDIT ADMINISTRATION

Administrative provisions:

Administrative expenses; assessment and apportionment; technical amendments; comments due by 7-24-98; published 6-24-98

FEDERAL COMMUNICATIONS COMMISSION

Common carrier services:

Advanced telecommunications technology, regulations regarding experiments; comment request; comments due by 7-21-98; published 6-29-98

Telecommunications relay services and speech-to-speech services for individuals with hearing and speech disabilities; comments due by 7-20-98; published 6-16-98

Radio and television broadcasting:

Telecommunications Act of 1996; implementation—

Broadcast ownership and other rules; biennial review; comments due by 7-21-98; published 5-14-98

FEDERAL HOUSING FINANCE BOARD

Affordable housing program operation:

Program requirements clarification; comments due by 7-20-98; published 5-20-98

FEDERAL RESERVE SYSTEM

Miscellaneous interpretations:

Asset purchases, loans, or other transactions; exemption eligibility; comments due by 7-21-98; published 6-16-98

Transactions between member banks and nonaffiliated third parties; exemptions; comments due by 7-21-98; published 6-16-98

HEALTH AND HUMAN SERVICES DEPARTMENT

Food and Drug Administration

Human drugs, biological products, and medical devices:

Unapproved/new uses; information dissemination; comments due by 7-23-98; published 6-8-98

INTERIOR DEPARTMENT

Fish and Wildlife Service

Endangered and threatened species:

San Xavier talussnail; comments due by 7-21-98; published 5-22-98

Winkler cactus; comments due by 7-22-98; published 6-22-98

Migratory bird hunting:

Migratory bird harvest information program; participating States; comments due by 7-20-98; published 5-19-98

INTERIOR DEPARTMENT

Minerals Management Service

Royalty management:

Oil valuation; Federal leases and Federal royalty oil sale

Comment period reopening; comments due by 7-24-98; published 7-8-98

JUSTICE DEPARTMENT

Immigration and Naturalization Service

Immigration:

Nicaraguan and Cuban nationals; status adjustment; comments due by 7-20-98; published 5-21-98

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Acquisition regulations:

Contractor performance; comments due by 7-20-98; published 5-21-98

PERSONNEL MANAGEMENT OFFICE

Acquisition regulations:

Health benefits, Federal employees—

Participating carriers placing incentives in contracts with health care providers or health care workers; gag clauses prohibition; comments due by 7-20-98; published 5-21-98

Prevailing rate systems; comments due by 7-23-98; published 6-23-98

SECURITIES AND EXCHANGE COMMISSION

Practice and procedure:

Improper professional conduct standards; comments due by 7-20-98; published 6-18-98

TRANSPORTATION DEPARTMENT

Coast Guard

Vocational rehabilitation and education:

Veterans education—

Educational assistance; advance payments and lump-sum payments; comments due by 7-20-98; published 5-20-98

TRANSPORTATION DEPARTMENT

Federal Aviation Administration

Airworthiness directives:

AlliedSignal Inc.; comments due by 7-20-98; published 5-19-98

British Aerospace; comments due by 7-24-98; published 6-17-98

Empresa Brasileira de Aeronautica, S.A.; comments due by 7-24-98; published 6-24-98

Eurocopter France; comments due by 7-23-98; published 6-23-98

Honeywell; comments due by 7-20-98; published 6-3-98

Mitsubishi; comments due by 7-22-98; published 5-21-98

New Piper Aircraft, Inc.; comments due by 7-23-98; published 5-22-98

Pilatus Aircraft Ltd.; comments due by 7-24-98; published 6-25-98

Schempp-Hirth K.G; comments due by 7-21-98; published 6-17-98

Schempp-Hirth K.G.; comments due by 7-21-98; published 6-18-98

SOCATA-Groupe AEROSPATIALE; comments due by 7-20-98; published 6-26-98

Airworthiness standards:

Special conditions—

Boeing model 777 series airplanes; comments due by 7-20-98; published 6-4-98

Class B airspace; comments due by 7-20-98; published 5-19-98

Class D and Class E airspace; comments due by 7-20-98; published 6-3-98

Class E airspace; comments due by 7-20-98; published 6-3-98

Jet routes; comments due by 7-20-98; published 6-4-98

TRANSPORTATION DEPARTMENT

National Highway Traffic Safety Administration

Consumer information:

Uniform tire quality grading standards; comments due by 7-20-98; published 5-21-98

Importers registration and importation of nonconforming motor vehicles; fee schedule; comments due by 7-20-98; published 6-5-98

TRANSPORTATION DEPARTMENT

Research and Special Programs Administration

Pipeline safety:

Hazardous liquid transportation—

Breakout tanks; industry standards adoption; comments due by 7-20-98; published 5-21-98

TREASURY DEPARTMENT

Customs Service

Customs with Canada and Mexico:

Foreign-based commercial motor vehicles entry into international traffic; comments due by 7-20-98; published 5-19-98

TREASURY DEPARTMENT

Internal Revenue Service

Income taxes:

S corporation subsidiaries; comments due by 7-21-98; published 4-22-98

Tax exempt organizations; travel and tour activities; comments due by 7-22-98; published 4-23-98

VETERANS AFFAIRS DEPARTMENT

Board of Veterans Appeals:

Appeals regulations and rules of practice—

Grounds of clear and unmistakable error decisions; comments due by 7-20-98; published 5-19-98

Vocational rehabilitation and education:

Veterans education—

Educational assistance; advance payments and lump-sum payments; comments due by 7-20-98; published 5-20-98