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ENVIRONMENTAL PROTECTION AGENCY

21 CFR Parts 193 and 561

[FAP 7H5518/R964; FRL-3400-3]

Pesticide Tolerances for Avermectin B1

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: This rule renews established food and feed additive regulations to permit residues of the miticide/insecticide avermectin B_1 and its delta 8,9-geometric isomer in citrus oil and citrus pulp, respectively, in accordance with an experimental program. These regulations to renew maximum permissible levels of the miticide/insecticide in citrus oil and citrus pulp were requested by Merck Sharp & Dohme Research Laboratories, Inc.

EFFECTIVE DATE: May 8, 1988.

FOR FURTHER INFORMATION CONTACT: By mail: George LaRocca, Product Manager (PM) 15, Registration Division (TS-767C), Environmental Protection Agency, 401 M St. SW., Washington, DC 20460.

Office location and telephone number: Rm. 202, CM #2, 1921 Jefferson Davis Hwy., Arlington, VA 22202, (703)-557-2400.

SUPPLEMENTARY INFORMATION: EPA issued § 193.473 *Avermectin B_1 and its delta 8,9-geometric isomer* and § 561.441 *Avermectin B_1 and its delta 8,9-geometric isomer*, published in the **Federal Register** on May 13, 1987 (52 FR 17941) establishing regulations permitting residues of the miticide/insecticide avermectin B_1 and its delta 8,9-geometric isomer in citrus oil and dried citrus pulp, respectively, in accordance with an experimental program with an expiration date of May 8, 1988. These regulations are being renewed to May 1, 1989, to permit the continued marketing of the raw agricultural commodities (RACs) treated in accordance with the experimental use permit (No. 618-EUP-12).

The scientific data reported and other relevant material have been evaluated, and it has been determined that the miticide/insecticide may be safely used in accordance with the provisions of the experimental use permit (No. 618-EUP-12) that was concurrently renewed under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended. It is concluded that the miticide/insecticide can be safely used in the prescribed manner when such use is in accordance with the label and labeling accepted in connection with the experimental use permit issued pursuant to the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) as amended (86 Stat. 973, 7 U.S.C. 136 *et seq.*), and the regulations are renewed as set forth below.

Any person adversely affected by these regulations may, within 30 days after publication of this document in the **Federal Register**, file written objections with the Hearing Clerk, at the address given above. Such objections should specify the provisions of the regulations deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing and the grounds for the objections.

The Office of Management and Budget has exempted this rule from the requirements of section 3 of Executive Order 12291.

Pursuant to the requirements of the Regulatory Flexibility Act (Pub. L. 96-354, 94 Stat. 1164 5 U.S.C. 601-612), the Administrator has determined that regulations establishing new food and feed additive levels, or conditions for safe use of additives, or raising such food and feed additive levels, do not have a significant economic impact on a substantial number of small entities. A certification statement to this effect was published in the **Federal Register** of May 4, 1981 (46 FR 24945).

List of Subjects in 21 CFR Parts 193 and 561

Food additives, Animal feeds, Pesticides and pests, Reporting and recordkeeping requirements.

Dated: June 3, 1988.

Douglas D. Campt,

Director, Office of Pesticide Programs.

Therefore, Chapter I of Title 21 of the Code of Federal Regulations is amended as follows:

PART 931—[AMENDED]

1. In Part 193:

a. The authority citation for Part 193 continues to read as follows:

Authority: 21 U.S.C. 348.

§ 193.473 [Amended]

b. By amending § 193.473 *Avermectin B_1* and its delta 8,9-geometric isomer by changing the date "May 8, 1988" in the last sentence to "May 1, 1989."

PART 561—[AMENDED]

2. In Part 561:

a. The authority citation for Part 561 continues to read as follows:

Authority: 21 U.S.C. 348.

§ 561.441 [Amended]

b. In § 561.441 *Avermectin B_1 and its delta 8,9-geometric isomer*, by changing the date "May 8, 1988" in the last sentence to "May 1, 1989."

[FR Doc. 88-13808 Filed 6-17-88; 8:45 am]
BILLING CODE 6560-50-M

POSTAL RATE COMMISSION

39 CFR Part 3001

[Docket Nos. RM88-3 and MC88-1; Order No. 789]

Amendment to Domestic Mail Classification Schedule; Money Order Sale Limitations, 1987

Issued: June 14, 1988.

AGENCY: Postal Rate Commission.

ACTION: Final rule.

SUMMARY: In accordance with the June 7, 1988, adoption of the Postal Rate Commission's recommended Docket No. MC88-1 decision by the Governors of the Postal Service, the Commission is publishing the corresponding change for the Domestic Mail Classification Schedule (DMCS). The DMCS is found as Appendix A to Subpart C of the Commission's rules of practice and procedure (39 CFR 3001.61 through 3001.67). This change gives the Postal

Service the authority to place restrictions on money orders sales. The purpose of the authority is to help the Postal Service in its efforts to co-operate with the Drug Enforcement Administration and other government agencies to prevent the use of postal money orders as a means of "laundering" money obtained from the sale of illegal drugs.

EFFECTIVE DATE: June 19, 1988.

ADDRESSES: Correspondence should be sent to Charles L. Clapp, Secretary of the Commission, 1333 H Street, NW., Suite 300, Washington, DC 20268 (telephone: 202/789–6840).

FOR FURTHER INFORMATION CONTACT: David F. Stover, General Counsel, 1333 H Street, NW., Suite 300, Washington, DC 20268 (telephone: 202/789–6820).

SUPPLEMENTARY INFORMATION: On June 7, 1988, the Governors of the Postal Service approved a decision (Docket No. MC88–1) of the Commission recommending a change in section 8.020 of the Domestic Mail Classification Schedule (DMSC). The Commission issued its recommended Decision on May 18, 1988. DMCS section 8.020 prescribes the maximum dollar value for money orders and states that the Postal Service may place restrictions on the number or dollar value of money order sales. Under the previous DMCS provision, the Postal Service could impose only temporary restrictions on the number of money orders which could be purchased at one time.

The Postal Service intends to use its new authority to set a limit on money order purchases which is lower than the threshold for reporting under the Bank Secrecy Act. The Treasury Department currently requires reporting of transactions over $10,000. The Postal Service has found that the purchase of money oders in very large dollar amounts for legitimate reasons is rare. The Postal Service believes that the authority to limit the dollar amount of money order purchases will enable it to respond quickly to new methods which money "launderers" may adopt.

The Postal Service filed a request for this regulatory change on December 4, 1987. The Commission invited interested parties to comment and participate in the proceeding. 52 FR 46873–74. On May 2, 1988, the Postal Service filed a motion for acceptance of a unanimous stipulation and agreement. The Postal Service indicated that there was no opposition to the change described in the stipulation and agreement.

The amendment to the DMCS which is published in this order reflect the Governors' June 7, 1988, decision. Consistent with the Commission's explanation in the rulemaking (Docket No. RM85–1) which led to the publication of the DMCS in the **Federal Register**, this addition is published as a final rule, since procedural safeguards and ample opportunities to have different viewpoints considered have already been afforded to all interested persons.

List of Subjects in 39 CFR Part 3001

Administrative practice and procedure, Postal Service.

PART 3001—RULES OF PRACTICE AND PROCEDURES

Subpart C—Rules Applicable to Requests for Establishing or Changing the Mail Classification Schedule

1. The authority citation for 39 CFR Part 3001 continues to read as follows:

Authority: 39 U.S.C. 404(b), 3603, 3622–3624, 3661, 3662, 84 Stat. 1303; (5 U.S.C. 553), 80 Stat. 383.

List of Changes

2. The following change in the Domestic Mail Classification Schedule published as Appendix A to Subpart C (39 CFR 3001.61 through 3001.68) of the Commission's rules of practice and procedure is adopted:

Revise 8.020 to read as follows:

8.020 The maximum value for which a domestic postal money order may be purchased is $700. Other restrictions on the number or dollar value of postal money order sales, or both, may be imposed in accordance with regulations prescribed by the Postal Service.

By the Commission.

Charles L. Clapp,

Secretary.

[FR Doc. 88–13795 Filed 6–17–88; 8:45 am]

BILLING CODE 7715–01–M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 300

[FRL–3400–5]

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

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule; correction.

SUMMARY: EPA is correcting errors in the Final Notice of Deletion of sites from the National Priorities List which appeared in the **Federal Register** on April 18, 1988 (53 FR 12680).

FOR FURTHER INFORMATION CONTACT: Allen Dotson at (202) 382–5755.

The following corrections are made in FRL–3366–7, the National Oil and Hazardous Substances Contingency Plan; National Priorities List Update published in the **Federal Register** on April 18, 1988 (53 FR 12680).

1. On page 12680, third column, line 53, change "In Group 14 remove:" to "In Group 15 remove:".

2. On page 12680, third column, line 56, change "In Group II remove:" to "In Group 12 remove:".

Dated: June 2, 1988.

Thaddeus L. Juszczak, Jr.,

Acting Deputy Assistant Administrator for Solid Waste and Emergency Response.

[FR Doc. 88–13811 Filed 6–17–88; 8:45 am]

BILLING CODE 6560–50–M

[OPTS–400010A; FRL–3400–2]

40 CFR Part 372

Toxic Chemical Release Reporting; Community Right-To-Know; Titanium Dioxide

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: EPA is deleting the substance titanium dioxide from the list of toxic chemicals under section 313 of Title III of the Superfund Amendments and Reauthorization Act of 1986 (SARA). EPA is amending the final rule codifying the list of chemicals published on February 16, 1988 (53 FR 4500). EPA is taking this action in response to petitions. Section 313(e) allows any person to petition the Agency to modify the list of toxic chemicals for which toxic chemical release reporting is required.

DATES: June 20, 1988.

FOR FURTHER INFORMATION CONTACT: Renee Rico, Petition Coordinator, Emergency Planning and Community Right-to-Know Hotline, Environmental Protection Agency, 401 M Street SW., (Mail Stop WH–562A), Washington, DC 20460, (800) 535–0202, (In Washington, DC and Alaska, (202) 479–2449.

SUPPLEMENTARY INFORMATION:

I. Introduction

A. Statutory Authority

The response to the petition and deletion are issued under sections 313(d)(3) and 313(e)(1) of Title III of the Superfund Amendments and Reauthorization Act of 1986 (Pub. L. 99–499, "SARA" or "the Act"). Title III of

SARA is also known as the Emergency Planning and Community Right-to-Know Act of 1986.

B. Background

Title III of SARA is intended to encourage and support emergency planning efforts at the State and local level and to provide the public and local governments with information concerning potential chemical hazards present in their communities.

Section 313 of Title III requires owners and operators of certain facilities that manufacture, process, or otherwise use a listed toxic chemical at certain threshold quantities, to report annually their releases of such chemicals to the environment. Only facilities that have manufacturing operations (in Standard Industrial Classification Codes 20 through 39) and have 10 or more employees must report. Such reports are to be sent to both EPA and the State in which the facility is located. The basic purpose of this provision is to make available to the public information about total annual releases of toxic chemicals from industrial facilities in their community. In particular, EPA is required to develop a computer data base containing this toxic chemical release information and to make it accessible by telecommunications on a cost reimbursable basis.

For reporting purposes, section 313 establishes an initial list of "toxic chemicals" that is composed of 328 entries, 20 of which are categories of chemicals. This list is a combination of lists of chemicals used by the States of Maryland and New Jersey for emissions reporting under their individual right-to-know laws. Section 313(d) authorizes EPA to modify by rulemaking the list of chemicals covered either as a result of EPA's self-initiated review or in response to petitions under section 313(e).

Section 313(e)(1) provides that any person may petition the Agency to add chemicals to or delete chemicals from the list of "toxic chemicals." EPA issued a statement of policy and guidance in the **Federal Register** of February 4, 1987 (52 FR 3479). This statement provided guidance to potential petitioners regarding the recommended content and format for submitting petitions. The Agency must respond to petitions within 180 days either by initiating a rulemaking or by using an explanation of why the petition is denied. If EPA fails to respond within 180 days, it is subject to citizen suits. In the event of a petition from a State governor to add a chemical under section 313(e)(2), if EPA fails to act within 180 days, EPA must issue a final rule adding the chemical to the list. Therefore, EPA is under specific constraints to evaluate petitions and to issue a timely response.

State governors may petition the Agency to add chemicals on the basis of any one of the three toxicity criteria listed in section 313(d) (acute human health effects, chronic human health effects, or environmental toxicity). Other persons may petition to add chemicals only on the basis of acute or chronic human health effects. EPA may delete substances only if they fail to meet any of the criteria contained in section 313(d).

Chemicals are evaluated for inclusion on the list based on the criteria in section 313(d) and using generally accepted scientific principles, the results of properly conducted laboratory tests, or appropriately designed and conducted epidemiological or other population studies, that are available to EPA.

II. Description Of Petitions and Regulatory History

The Agency received three separate petitions to delist titanium dioxide, (TiO_2), CAS No. 13463–67–7, from the list of toxic chemicals. The three petitions, in order of receipt, were from: E.I. du Pont de Nemours and Company (DuPont), SCM Chemicals, Inc. and Didier Taylor Refractories Corporation, and Kemira Oy. EPA received the first petition on August 24, 1987, and under statutory deadline was required to respond by February 20, 1988. DuPont and SCM/Didier Taylor submitted extensive documentation to support their claim that TiO_2 fails to meet any of the statutory criteria in section 313(d).

EPA issued a proposed rule, published in the **Federal Register** of February 19, 1988 (53 FR 5004), announcing its intention to grant the petitions by deleting TiO_2. The Agency received 15 comments on the proposed rule. Fourteen comments were from a combination of individual companies and trade associations. These comments all supported the Agency's proposal to delete TiO_2 from the list of substances subject to reporting under section 313 of the Emergency Planning and Community Right-to-Know-Act. Several commenters agreed with EPA's health assessment and concurred that there is insufficient evidence indicating that TiO_2 may cause adverse effects to human health or the environment. The majority of the 14 commenters expressed particular support for the Agency's proposal to relieve facilities of having to report on TiO_2 releases starting with the 1987 calendar year.

One commenter, the Natural Resources Defense Council (NRDC), opposed EPA's proposal to delete TiO_2 from the section 313 list. In summary, NRC "* * * believe(s) that EPA has erred in its health assessment of TiO_2, both in its interpretation of the long-term cancer bioassay studies and in its analysis of human epidemiologic surveys." EPA's response to each concern of NRDC follows.

NRDC expressed a concern with regard to the positive carcinogenicity response seen in a long-term inhalation bioassay study in rats carried out by the Haskell Laboratories of E.I. du Pont de Nemours and Company (Ref. 4). The positive response was seen at the high dose level of 250 mg/m^3. Lung fibrosis at all dose levels was marginal. The commenter states that EPA inferred speculative explanations for tumor formation at the high dose level. In response, EPA believes that any proposed mechanism of action for the carcinogenic response (lung tumors) in the high dose rats are hypotheses whether they involve fibrosis, dust-overloading, or a hyperplastic response resulting in tumor formation. In the case of TiO_2, implied mechanisms of action are considered but do not strongly contribute to the weight-of-evidence for or against carcinogenicity. More importantly, regardless of any proposed mechanism of action, a single response in a single study is "limited" evidence according to the EPA "Guidelines for Carcinogenic Risk Assessment" (Ref. 8). All of the additional studies reviewed, six carcinogenicity bioassays and four mutagenicity bioassays, involving TiO_2 were negative (Ref. 1).

NRDC also commented on a National Cancer Institute (NCI) feeding study evaluated for carcinogenic effects (Ref. 10). Rats and mice were orally fed TiO_2 for 103 to 104 weeks at 25,000 or 50,000 ppm dose levels. NRDC commented that this study was not conducted at the maximum tolerated dose (MTD) levels, and that this study does not address the health-effects of airborne TiO_2 dust particles in animals. EPA maintains that TiO_2 was adequately tested in the study described above. The doses selected for rats and mice were accurately based on range-finding studies, and no toxicological effects were noted in the range-finding studies at any dose administered. In cases where the test chemical does not elicit toxicity, the Guidelines of the NCI Bioassay Program (Ref. 14) recommend that the maximum concentration of a test substance given in feed should not exceed 5 percent of the diet. Administration of TiO_2 at 25,000 ppm (2.5 percent) and 50,000 ppm (5.0 percent), the maximum concentrations used in the NCI study on

TiO_2 as described by the guidelines, did not result in significantly increased tumors in rats and mice of either sex. In response to NRDC's comment with regard to whether this NCI feeding study addressed health effects of airborne TiO_2, EPA did not utilize this study to evaluate the health effects of airborne TiO_2. The long-term inhalation study conducted by the Haskell Laboratories of E.I. du Pont de Nemours and Company (Ref. 4) measures the inhalation effects of TiO_2 on rats, and was discussed at length in EPA's *Health Assessment of Titanium Dioxide* (Ref. 15) and related memoranda (Refs. 1 and 2).

NRDC expressed the concern for human exposure to relatively high concentrations of the TiO_2 dust particles in the workplace and through accidental releases. Workplace exposure restrictions are governed by the Occupational Safety & Health Administration (OSHA). EPA based the exposure assessment for off-site persons on worst case values. Exposures likely to occur are well below the no observable adverse effect levels (NOAEL) estimated for lung fibrosis.

NRDC made inquiries about the existence of an inhalation bioassay study in mice mentioned in the health assessment document. EPA has found that the reference to the negative inhalation study in mice was a typographical error and should read "by inhalation to male and female *rats*."

NRDC commented that the "weight-of-evidence" approach that EPA used to judge the overall carcinogenic potential of TiO_2 is flawed. EPA believes that the commenter fails to provide evidence that would support any other finding using the Agency's Guidelines for Carcinogenic Risk Assessment (Ref. 8). "Limited" animal evidence is based on acceptable animal studies that suggest a carcinogenic effect but are limited because: (1) The data are derived from a single species, strain, or experiment; (2) the experiments are restricted by inadequate dose levels, inadequate duration of exposure to the agent, poor survival, too few animals, or inadequate reporting; or (3) an increase in benign tumors only. Following a review of the available literature on TiO_2, only a single species at the high dose level in one study reported a carcinogenic reponse (Ref. 8). Therefore, for purposes of section 313, "limited" animal evidence is interpreted as being insufficient evidence to support the determination that a chemical is "known to cause or can reasonably be expected to cause" cancer in humans.

NRDC believes that EPA downplays the human health effects of TiO_2 based on occupational surveys conducted to date. NRDC agrees with EPA's findings that the recent DuPont epidemiological study on $TiO_2/TiCl_4$ workers was found to be inconclusive. However, NRDC commented that the Garabrant, et al. (Ref. 9) and the Daum, et al. (Ref. 3) epidemiological studies should be given more weight. EPA believes that these two studies are inadequate for assessing whether TiO_2 causes or can reasonably be anticipated to cause adverse health effects in humans. For example, the spirometry (lung function) results of Garabrant, et al. may be due to chance since the analysis did not reach statistical significance, and the authors did not explicitly state any hypothesis at the start of the study. Second, the absence of a control group or of pre-/post-shift lung function tests in both the studies makes the interpretation of the lung function test results *per se* difficult. Third, EPA questions the biological importance of pleural plaques and thickening, as reported by Garabrant, et al., because lung function decrements were not observed (Ref. 12).

EPA concluded that the Garabrant, et al. and Daum, et al. prevalent studies suffer from other limitations which potentially bias the reported results, making these studies less useful than well-conducted cohort studies of highly exposed long-term workers for examining potential adverse human health effects related to TiO_2 exposure. EPA believes that based on the limitations in the reviewed studies, these reports cannot carry more or less weight in the weight-of-evidence approach (Ref. 12). When these results and those reported by DuPont are fully evaluated, EPA believes that the data are inadequate for assessing the likelihood of chronic respiratory effects from TiO_2 exposure.

In summary, NRDC believes that EPA has erred in its health assessment of TiO_2, both in its interpretation of the long-term cancer bioassay studies and in its analyses of human epidemiological surveys. In accordance with the EPA "Guidelines for Carcinogen Risk Assessment" published in the **Federal Register** of September 24, 1986 (51 FR 33992), the overall weight-of-evidence determination for the carcinogenicity of TiO_2 is insufficient to reasonably anticipate that this chemical will cause cancer in humans based on inadequate human evidence and on limited animal evidence.

The proposed rule to delete TiO_2, published in the **Federal Register** of February 19, 1988 (53 FR 5004), contains information on EPA's review of the petitions, including the toxicity evaluation. This background information will not be repeated here in the final rule. However, based on comments received from NRDC and a reanalysis of available data, EPA is clarifying a number of points with regard to: (1) Acute toxicity, (2) chronic toxicity, (3) oncogenicity, and (4) exposure. All other information concerning the hazard assessment is contained in the proposed rule.

1. *Acute toxicity.* Short-term exposure to high concentrations of inert fine particulates, such as TiO_2, can be associated with an increased incidence of respiratory effects like eye, nose and throat irritation, coughing, and sneezing. In sensitive subgroups such as the elderly or asthmatics, the effects may be more severe (Refs. 5 and 6). The observed effects are attributable to particulate matter in general and are not unique to any specific compound. The observed effects are generally reversible when exposure is reduced or terminated. The National Ambient Air Quality Standard (NAAQS) for particulate matter (50 $\mu g/m^3$, annual average, 150 $\mu g/m^3$, 24-hour average) was established, taking sensitive subgroups into consideration, to prevent the health effects described above (Refs. 5 and 6). Modeling studies showed annual and 24-hour average ambient air level concentrations of TiO_2 around the worst case manufacturing plant to be well below the NAAQS's for particulate matter (Ref. 16).

2. *Chronic toxicity.* The few available epidemiological studies are inadequate for determining whether respiratory effects would be expected in humans. Two prevalent studies, Garabrant, et al. (Ref. 9) and Daum, et al. (Ref. 3), reported lung abnormalities in workers exposed in titanium metal or TiO_2 production. Garabrant, et al. reported a statistically significant increase in pleural plaques and thickening; the biological meaning of this observation is questionable since the authors did not observe statisitically significant decrements in lung function. Daum, et al. reported a statistically significant decrease in lung functions; however, the authors concluded that exposure associated with TiO_2 production by the sulphate process would not result in serious lung disease. Fibrosis was not observed in either study. A third study by Chen and Fayerweather (Ref. 7) of DuPont workers did not observe any consistent association between $TiO_2/TiCl_4$ exposure and respiratory morbidity. These three studies contain limitations which make their interpretation difficult. Therefore, EPA is unable to conclude that these studies show that TiO_2 causes or can

reasonably be anticipated to cause serious irreversible chronic health effects in humans. In the absence of adequate epidemiological data, animal data were used to predict expected effects in humans (Ref. 13).

TiO_2 has not been shown to produce significant chronic toxicity in animals. The results of a well-conducted, long-term inhalation study showed the development of minimal lung fibrosis in male and female rats exposed for 2 years to very high concentrations, 50 and 250 mg/m³, of respirable TiO_2 dust. Based on the results of this study, a NOAEL of TiO_2 via inhalation is estimated to be 10 mg/m³ (Ref. 15). Several injection studies showed that TiO_2 did not cause fibrosis of the rat lung or peritoneum following intratracheal instillation and intraperitoneal injection, respectively. TiO_2 appears to be non-toxic upon ingestion. The results of a NCI feeding study in rats and mice showed no chronic toxicity associated with ingestion of TiO_2 in the diet at 25,000 or 50,000 ppm. TiO_2 has been shown to have low *in vitro* biological activity as determined by cytotoxicity assays in cell culture (Ref. 15). Thus, EPA believes that the data are insufficient for showing that TiO_2 causes or can reasonably be expected to cause chronic effects in humans.

3. *Oncogenicity.* Based on a review of the available data, a weight-of-evidence determination concludes that the evidence is insufficient to reasonably anticipate that TiO_2 will cause cancer in humans. This conclusion is based on inadequate evidence in humans and limited evidence in animals. The evidence in animals includes a series of well-conducted laboratory studies performed in multiple species and involving multiple routes of exposure.

Results from a study of DuPont workers (Ref. 7) did not yield consistent associations between lung cancer mortality and morbidity and exposure to $TiO_2/TiCl_4$. Study limitations include ascertainment bias, inadequate control for confounding, and a cohort potentially composed of low-exposed individuals or individuals whose latency may not be fully expressed. These limitations make this study inadequate for determining potential human oncogenic effects from TiO_2 exposure (Ref. 15).

In long-term animal bioassays, TiO_2 was carcinogenic in male and female rats at a dose level that may have overwhelmed the normal clearance mechanism in the lung. TiO_2 was not carcinogenic at any doses by oral administration to rats and mice (both sexes) or by inhalation to male and female rats at lower doses. Intraperitoneal injection in mice, subcutaneous injection in dogs, intratracheal instillation in hamsters and intramuscular injection in rats did not result in tumorigenicity. Additionally, TiO_2 does not induce gene mutations in prokaryotes and mammalian cells in culture, or DNA effects or cell transformation in mammalian cells in culture (Ref. 15).

The single positive result in high dose rats along with the multiple negative carcinogenicity results and the negative mutagenicity data leads to an overall weight-of-evidence determination that there is not sufficient evidence to show that TiO_2 will cause or can reasonably be expected to cause cancer in humans (Ref. 2).

4. *Exposure.* Both annual and short-term ambient air level concentrations around manufacturing sites of TiO_2 were estimated. Statistical wind summaries along with a variety of other input parameters, such as emission rate, particle size and density, and stack height, are used to estimate the annual ground level concentrations. Release information estimated for Kemira, the plant with the highest emission rates, was used to estimate the annual ambient air level concentrations at the plant boundaries. The results showed an annual average ambient air level concentration of 1.5 μg/m³ (Ref. 16) which is significantly below the 10,000 μg/m³ NOAEL for fibrosis of the lung inferred by animal studies (Ref. 15). There is a four fold margin between the exposure levels and the NOAEL for lung fibrosis, and concentrations at this exposure level are not expected to cause adverse lung effects. In addition, short-term modeling reveals 24-hour average ambient air level concentrations ranging from 11 to 33 μg/m³. Both the annual and short-term ambient air level concentrations for TiO_2 are well below the annual and 24-hour average NAAQS values of 52 and 150 μg/m³ for particulate matter. (Ref. 16).

III. Environmental Effects

TiO_2 exhibits a very low acute aquatic toxicity in fish with a 96-hour LC_{50} greater than 1,000 mg/L (Ref. 11). TiO_2 appears to be nontoxic to mammals in acute exposures. This assessment is based on acute oral toxicity testing on guinea pigs and rats which showed LC_{50}s greater than 2,400 mg/kg (Ref. 11). Subchronic feeding studies on mice and rats produced no deaths and no gross or microscopic pathology which could be related to TiO_2 (Ref. 11). Chronic feeding studies also showed no effects related to TiO_2 (Ref. 11). Acquatic species reportedly bioaccumulate TiO_2 to levels equal to or less than 16 μg/kg in tissues (Ref. 11).

EPA has reviewed the currently available data on the environmental effects of TiO_2 exposure and has found that there is insufficient evidence to establish that TiO_2 causes or can reasonably be anticipated to cause a significant adverse effect on the environment.

IV. Conclusion

EPA has reviewed the readily available data on the health and environmental effects of TiO_2 exposure. The acute toxicity, chronic toxicity, oncogenicity, and mutagenicity data reviewed did not show sufficient evidence to establish that TiO_2 is known to cause or can reasonably be anticipated to cause significant adverse health effects in humans at concentration levels that are reasonably likely to exist beyond facility site boundaries (Ref. 15). The environmental aquatic toxicity, terrestrial toxicity, and bioaccumulation data reviewed did not show sufficient evidence to establish that TiO_2 causes or can reasonably be anticipated to cause significant adverse effects on the environment of sufficient seriousness, in the judgment of the Administrator, to warrant reporting under section 313 (Ref. 11). Therefore, EPA is finalizing its proposal to delete TiO_2 from the list of toxic chemicals subject to release reporting requirements under section 313 of the Emergency Planning and Community Right-to-Know Act.

V. Effective Date

The Agency proposed to make the deletion of TiO_2 from the section 313 list of chemicals effective on or about June 1, 1988. Such an effective date would relieve facilities from their obligation to submit reports on TiO_2 for the 1987 reporting year by July 1, 1988. EPA's basis for this was explained in the preamble to the proposed rule. All comments which EPA received on this issue agreed with the Agency's proposed effective date of June 1, 1988.

In addition, because this rule deleting TiO_2 from the section 313 list of chemicals grants an exemption from a regulatory requirement, EPA is making the rule effective immediately upon publication in the **Federal Register** rather than 30 days from date of publication. *See* 5 U.S.C. section 553(d)(1). Thus, facilities are not obligated to file reports on TiO_2 on or before July 1, 1988 for 1987 activities.

VI. References

(1) Cullen, L. J. *Memorandum to Bill Thomson.* USEPA. 4–14–88.

(2) Cullen, L. J. *Memorandum to Dennis Leaf.* USEPA. 4–20–88.

(3) Daum, S., et al. *Proc. R. Soc. Med. 70*:31–32 (1977).

(4) DuPont Company, Trochimowicz, H. J., et. al. *Tox. and Appl. Pharm. 79*:179–192 (1985).

(5) EPA. *Review of the National Ambient Air Quality Standards for Particulate Matter: Assessment of Scientific and Technical Information.* OAQPS. USEPA. 1982.

(6) EPA. *Updated Assessment of the Scientific and Technical Information: Addendum to the 1982 OAQPS Staff Paper.* OAQPS. USEPA. 1986.

(7) Fayerweather, W. E., et al. *DuPont Petition: Attachment III.* 8–21–87.

(8) **Federal Register** September 24, 1986 (*51* FR 33992).

(9) Garabrant, D. H., et al. *Scand. J. Work Environ. Health. 13*:47–51 (1987).

(10) NCI. *Natl. Cancer Inst. Carcinog. Tech. Rep. Ser. 97*:114 (1978).

(11) Morcock, R. E. *Ecologic Hazard Report on TiO_2: Superfund Delisting Petitions.* USEPA. 1987.

(12) Siegel-Scott, C. L. *Memorandum to Dennis Leaf.* USEPA. 4–12–88.

(13) Siegel-Scott, C. L. *Memorandum to Dennis Leaf.* USEPA. 4–15–88.

(14) Sonteg, J. M., et al. "Guidelines for carcinogen bioassay in small rodents". *National Cancer Institute Carcinogenesis Technical Report.* Series. No. 1. 1976.

(15) Thomson II, W. *Hazard Assessment of Titanium Dioxide.* USEPA. 1987.

(16) Kinerson, R. *Addendum to Atmospheric Concentration Estimates from Titanium Dioxide Manufacturing Draft Report Dated January 1988.* USEPA. 1988.

VII. Regulatory Assessment Requirements

A. Executive Order 12291

Under Executive Order 12291, EPA must judge whether a rule is "major" and therefore, requires a Regulatory Impact Analysis. EPA has determined that this rule is not a "major rule" because it will not have an effect on the economy of $100 million or more.

This rule will decrease the impact of the section 313 reporting requirements on covered facilities and will result in cost-savings to industry, EPA, and States. Therefore, this is a minor rule under Executive Order 12291.

This rule was submitted to the Office of Management and Budget (OMB) under Executive Order 12291.

There are four producers of TiO_2. Estimates of the number of processors/users that might be subject to reporting requirements range from 8,125 to 8,940 facilities. The estimated cost savings for industry over a 10-year period range from $48 million to $57 million, while the savings for EPA are estimated to be $1 million (10-year present values using a 10 percent discount rate).

B. Regulatory Flexibility Act

Under the Regulatory Flexibility Act of 1980, the Agency must conduct a small business analysis to determine whether a substantial number of small entities will be significantly affected. Because the rule results in cost savings to facilities, the Agency certifies that small entities will not be significantly affected by this rule.

C. Paperwork Reduction Act

This rule relieves facilities from having to collect information on the use and releases of titanium dioxide. Therefore, there were no information collection requirements for OMB to review under the provisions of the Paperwork Reduction Act of 1980, 44 U.S.C. 15601 *et seq.*

List of Subjects in 40 CFR Part 372

Community Right-to-Know, Environmental protection, Reporting and recordkeeping requirements, Toxic chemicals.

Dated: June 9, 1988.

John A. Moore,

Assistant Administrator, Office of Pesticides and Toxic Substances.

Therefore, 40 CFR Part 372 is amended as follows:

PART 372—[AMENDED]

1. The authority citation continues to read as follows:

Authority: 42 U.S.C. 11013 and 11028.

§ 372.65 [Amended]

2. Section 372.65 (a) and (b) are amended by removing the entire entry for titanium dioxide under paragraph (a) and removing the entire CAS. No. entry for 13463–67–7 under paragraph (b).

[FR Doc. 88–13812 Filed 6–17–88; 8:45 am]

BILLING CODE 6560–50–M

DEPARTMENT OF TRANSPORTATION

Maritime Administration

46 CFR Part 249

[Docket R–101]

Approval of Underwriters for Marine Hull Insurance

AGENCY: Maritime Administration, Department of Transportation.

ACTION: Final rule.

SUMMARY: The Maritime Administration (MARAD) is issuing this final rule to govern the placement of marine hull insurance on subsidized and Title XI program vessels. These regulations afford companies participating in MARAD programs wider opportunity to obtain hull insurance coverage from financially sound underwriters with minimal regulatory constraints. Specifically, they eliminate the requirement that 75 percent of the required hull insurance coverage be placed in the American market, provide for the approval, under certain conditions, of additional foreign underwriters to participate in the writing of hull insurance on MARAD program vessels, and modify the limitation of an underwriter's risk on any single vessel.

DATE: This rule is effective July 20, 1988.

FOR FURTHER INFORMATION CONTACT: Edmond J. Fitzgerald, Director, Office of Trade Analysis and Insurance, Maritime Administration, Washington, DC 20590, Telephone: (202) 366–2400.

SUPPLEMENTARY INFORMATION: On October 11, 1985, MARAD published an Advance Notice of Proposed Rulemaking (ANPRM) in the **Federal Register** (50 FR 41531) concerning its existing policies regarding the placement of hull insurance on MARAD program vessels. The purpose of the ANPRM was to elicit opinions and data that would be used in the formulation of a proposed rule. There was general support for the concept from shipowners and previously non-admitted foreign underwriters, and opposition from the American marine insurance industry.

On April 17, 1986, MARAD conducted a public inquiry to give all interested parties an opportunity to provide more information and to support their positions. Based upon the presentations made at the inquiry and all materials submitted in connection with Docket R–101, MARAD prepared and published a Notice of Proposed Rulemaking (NPRM) to define its hull insurance policies for subsidized or Title XI program vessels. That notice was published in the **Federal Register** on October 16, 1987 (52 FR 38481) and elicited 18 comments, plus one request for an extension of time for filing (which was granted).

Comments were filed on behalf of the following carrier interests: Seahawk Management, Lykes Bros. Steamship Co., Inc., American Steamship Co., Hvide Shipping, Sea-Land Corporation, Crowley Maritime Corporation, Energy Transportation Corporation, Waterman Steamship Corporation, American Maritime Transport, Inc., Matson Navigation Company, and the American Institute of Merchant Shipping

(representing 23 U.S.-flag shipping companies).

Comments were filed on behalf of the following American marine insurance market interests: American Institute of Marine Underwriters (AIMU), Wm. H. McGee & Co., Inc., GRF of America Corp., Royal Insurance, and Atlantic Mutual Companies.

The Swedish Club and Vesta Hygea, both foreign underwriters, also filed comments.

The comments submitted in response to the Notice of Proposed Rulemaking are summarized and evaluated below, grouped according to subject matter.

Policy

It is the intent of MARAD that its policies afford companies that participate in the subsidy and ship financing (Title XI) programs the widest possible opportunity to obtain hull insurance coverage from financially sound underwriters with minimal regulatory constraints. It is also the policy of MARAD to require those companies subject to its requirements for the placement of hull insurance to afford the American marine insurance market the opportunity to compete for each such placement. Consistent with sound business judgment, owners will be expected to place their insurance with the American market to the maximum extent possible when the rates, terms and conditions offered by American underwriters are competitive with those offered by foreign underwriters.

MARAD intends to provide a regulatory environment which will stimulate competition without placing undue risk upon the various MARAD programs, and which will not impose undue costs upon program participants or a regulatory burden upon owners or the marine insurance industry.

75 Percent Market Reservation

There was general support from the carriers and foreign underwriters for the concept of dropping the requirement that 75 percent of the required hull insurance coverage be placed in the American market. They felt that the proposal would enhance competition in the insurance market and, hopefully, result in more favorable terms and/or premiums for the operators. It was noted that hull insurance premiums are significant fixed operating costs and that even a modest percentage reduction can result in measurable savings.

One carrier stated that significant reductions, perhaps as high as 25 percent, could be expected. Another carrier, which had obtained a 20 percent reduction on a recent renewal, believed that the prospect for relaxation of the 75 percent reservation was extremely helpful in obtaining this reduction from its traditional markets. Such cost reductions would enhance the competitive position of U.S.-flag vessels in the marketplace, both with respect to their foreign competition and also other U.S.-flag vessels not subject to MARAD requirements.

The carriers believe that they should have the opportunity to purchase insurance at competitive prices from financially sound foreign underwriters outside the British market. However, some commenters stated that while they clearly want the increased competition and the opportunities for choice which that entails, they have no intention of deserting their traditional markets in the United States and the United Kingdom. They simply believe that the existence of competitive pressures and the option to choose will ensure that they actually obtain the optimum pricing.

As expected, the foreign underwriters which do not currently participate in the hull insurance on MARAD program vessels, support the change.

The AIMU, however, argued that the market reservation should be continued in order to maintain diversity and capacity within the American market. Several large hull interests would not be sizably affected by removal of the 75 percent reservation, but smaller underwriters who often take a small percentage of the risk might be driven out of business. In their view, without the market reservation, brokers would have no incentive to place a portion of the risk with the smaller players.

According to the AIMU, disappearance of the smaller houses would have a serious anti-competitive effect within the market itself. United States capacity would shrink. Big companies could get bigger and they claim that this would contravene a national policy, the development of a strong American marine insurance industry.

On this latter point, the AIMU discussed various statutes and declared that it is national policy to promote the American marine insurance industry, as contained in the Shipping Act of 1916, the Merchant Marine Act of 1920, and the Merchant Ship Sales act of 1946. Two of the carriers also commented on this issue. One stated that the original intent of the 1920 Act is no longer appropriate. The other stated that while the existing MARAD policy has achieved the objective of developing an ample marine insurance system, it has also undercut the objective of developing an adequate and fully competitive U.S. merchant marine.

One U.S. underwriter noted that marine underwriting is one of the most competitive businesses, with violent swings in pricing and the cheapest price is not necessarily indicative of the best insurance.

One of the carriers stated that the international competitiveness of the American market was clearly established by the absences of a significant differential with the London market. The overall strength of the American market is clearly demonstrated by the amount of insurance which it writes on foreign-flag hulls. Another carrier expects the American and London markets to adjust rates to keep market share. The American market will be able to compete effectively in this manner, and the U.S.-flag operators will get significant savings.

A foreign underwriter stated that there was no evidence that the viability of the U.S. market was in jeopardy from the MARAD proposal. One would expect that an industry exposed to fair competition would have a greater chance for long-term survival and expansion than one cosseted behind protective rules. Removal of the restrictions would not "tilt the playing field" because the home market would always have certain advantages, such as local knowledge and proximity to the assured.

On a corollary issue, the AIMU objected to the proposed MARAD policy to support the American insurance market by requiring owners and brokers to offer the American market the opportunity to compete for every placement. It was argued that the policy was too vague and could easily be sidestepped because no regular reporting on compliance was required. When taxpayer dollars are involved, American insurers should be assured the opportunity to compete. The AIMU urged that all placements should be offered to all MARAD/approved domestic insurers.

After reviewing the comments, MARAD believes that in light of its overall program responsibility to promote the development and expansion of a competitive U.S.-flag merchant marine, it should provide an environment in which companies subject to MARAD's requirements for the placement of hull insurance have the widest possible opportunity to obtain sound hull insurance coverage with minimal regulatory constraints. MARAD believes that removal of the 75 percent American market reservation will stimulate competition and ensure that

vessel owners obtain the best possible coverage at the best price.

MARAD is naturally concerned about its responsibilities to the American marine insurance industry in this matter. However, a review of all pertinent legislative authorities has failed to disclose any requirement to provide an American market reservation. MARAD firmly believes that the American marine insurance market is able to compete effectively in the international market for hull insurance, even without a market reservation. The AIMU has charged that MARAD intends to place the American insurance industry at a competitive disadvantage in order to get premium savings, in contravention of Congressional mandate. What MARAD is really trying to do is to remove any potential for excess cost to the owners of MARAD program vessels which might have been caused by the 75 percent market reservation.

In the NPRM, MARAD specifically invited commenters to submit detailed estimates of the impact of the proposed rule upon their business. As noted, the AIMU indicated that several large hull interests would not be sizably affected by the removal of the 75 percent market reservation, but that smaller underwriters might be driven out of business. They then stated that American capacity would shrink and that big companies could get bigger. MARAD believes that the latter two statements seem inconsistent, since the growth of big companies would only come if they were able to complete effectively, and this would not likely coincide with a shrinking capacity.

It should be noted that in two recent cases where additional foreign competition played a role, the American market share of the placement remained unchanged in one case and actually increased from a year earlier in the other. Consequently, in view of the lack of specific showing of adverse impact, MARAD is not persuaded that elimination of the 75 percent market reservation will have any serious adverse impact upon the American marine insurance industry or its capacity to service the needs of the U.S.-flag merchant marine. Accordingly, the final rule removes that market reservation. MARAD does believe, however, that in order to demonstrate its ability to compete effectively for hull insurance on MARAD program vessels, the American market must be assured the opportunity to complete on each placement. The argument by the AIMU that the policy on this issue, as published in the NPRM, is too vague and easily sidestepped has merit. However, the AIMU has urged that all placements should be offered to all MARAD-approved domestic insurers, and that regular reporting on compliance be required. MARAD believes that proposal would involve an excessive burden on owners and brokers, and would require an inordinate amount of paperwork to report on compliance.

Nevertheless, MARAD does believe that a more definitive standard is required to assure that the American market is given adequate opportunity to complete. That standard will require that the higher the amount of coverage placed in foreign markets, the higher the certification level by the broker that the American market has been offered the business. In the event that more than 50 percent of the placement is made in the foreign market, the owner or broker will have to certify that at least 50 percent of the American market (measured in terms of capacity) was offered the risk. In the event that more than 75 percent of the placement was made in foreign markets then the broker will be required to certify that at least 75 percent of the American market was offered the risk. This procedure will require MARAD to identify all qualified American underwriters and their capacities, and to make such information available to the owners and brokers.

For purposes of determining American market capacity, the American Hull Syndicate and its member companies shall be treated separately, provided they remain able to write independently.

Approval of Additional Foreign Underwriters

The proposed rule provided a mechanism by which, under certain conditions, additional foreign underwriters could be approved to participate in the writing of hull insurance on MARAD program vessels.

In its comments, the AIMU stated that it does not oppose the approval of additional foreign underwriters, as long as competition is fair and adequate security is provided. MARAD agrees with that statement, as that is precisely the competitive environment MARAD is seeking to create.

However, among the comments on this point was the statement of an American underwriter that the competition must meet the same financial standards and requirements that American underwriters must meet. MARAD was urged to adopt standards for admission of foreign underwriters that are equal to those which American underwriters must meet.

MARAD disagrees with the view that standards and requirements must be identical in order to be equitable. MARAD is trying to create an environment in which competition can flourish and vessel owners can be assured of high quality insurance at competitive rates. Moreover, MARAD believes that such an environment can be created with standards that are comparable, even though not identical.

MARAD believes that it has developed a program that will increase competition among insurers to produce sound hull insurance coverage for MARAD program participants. However, in meeting that goal, which is related to its promotion responsibilities, MARAD does not intend to lose sight of its other responsibilities as guarantor of a several billion dollar portfolio. It is that responsibility which makes it incumbent upon MARAD that its hull insurance requirements be placed only with financially sound underwriters and that its underwriter approval program not create undue risk for any of the affected MARAD programs. MARAD's approval program envisages approval of financially sound underwriters, including those outside the American and London markets, subject to various approval criteria and conditions.

U.S. underwriters licensed to do business in a state would be eligible, provided they maintained at least a B security rating by A.M. Best, and the amount of insurance does not exceed the prescribed limitation on risk. The required security rating represents a change from the current MARAD policy requirement for an A rating. MARAD is requiring a B or better rating to ensure that it is the owner's judgment and not merely a MARAD regulation that determines the underwriters to be used. This standard increases the choices available to the owners without jeopardizing the soundness of the program, and permits the competitive forces that MARAD is seeking to encourage to function effectively.

Underwriters at Lloyds would continue to remain eligible. Members of the Institute of London Underwriters (ILU) would remain eligible subject to prescribed trust fund and limitation on risk requirements. On the basis of a comment by one American carrier, the final rule specifically reserves MARAD's right to review this eligibility at any time. (Because all but one of the members of the Liverpool Underwriters Association are members of the ILU, and because that Association does not have its own self-regulating mechanism, it is no longer being given the same preferential status as the ILU.)

Other foreign underwriters may be approved after review by MARAD if they have obtained an A or comparable

rating from an accepted international rating service. This requirement is not inconsistent with the requirement for a Best rating of B or better for the American market. MARAD is simply ensuring that the standards imposed on new foreign participants are at least as high as those imposed upon American underwriters, without having to be unduly concerned over differences between rating schemes. It also reflects MARAD's view that only the best foreign underwriters should participate, motivated by a desire to increase competition without jeopardizing the MARAD programs in any way.

The other foreign underwriters must also submit to MARAD financial data for five years, a statement describing the regulatory regime in place in their country of domicile and evidence that there is nothing in law or practice to preclude a U.S. insurer from obtaining the same access to their home hull market as they seek to the U.S. market. MARAD would apply certain conditions to approval, concerning such things as trust funds, and limitation on risk. The elements of the approval process are described in more detail below.

Financial Reporting

The NPRM offered two alternative texts on financial reporting requirements because MARAD was still considering what requirements to impose. The principal issues involved the amount of data to require and the tradeoff between having all of the data in a common format and the burden involved to recast the data into a common format.

The AIMU suggested five years of data, certified by a recognized accounting firm, in the National Association of Insurance Commissioners (NAIC) format, as is required of all foreign insurers establishing branches in this country. The AIMU believed the alternate proposal to be meaningless, because every applicant could be approved under its terms.

The Swedish Club argued for 3 years of data (fourth and fifth years were considered stale), not in the NAIC format. The Swedish Club believes it is not rational to impose on foreign underwriters a system designed exclusively for domestic insurers, particularly when foreign accounting procedures and reporting requirements are so different. Also, the Club did not believe annual filings should be required after approval (which should be open-ended), but should be requested only as needed. Otherwise, there would be undue costs and administrative burden. Also, financial data submitted under this rule should be kept confidential.

The other foreign underwriter submitting comments argued against requiring insurers to adopt new accounting procedures in order to be evaluated. MARAD was urged to focus on the reality of a potential insurer's security rather than the form.

Among the carriers submitting comments, only one suggested NAIC format, and five years was the consensus for the amount of data to be submitted. Energy Transportation Corporation (ETC) urged MARAD to develop rating guidelines similar to those used by the NAIC, and suggested that Insurance Solvency International (ISI) could provide in-depth analyses, a rating service and a database service that could be extremely helpful to MARAD. ETC submitted information on ISI's services as well as a testimonial to the value of such services from a leading insurance broker.

Upon review of all the comments, MARAD has concluded that it would be too great a burden to require applicant foreign underwriters to recast their financial statements into NAIC format. MARAD does not believe five years of data represents an excessive burden to the applicants, particularly if it is data that has already been prepared for the insurer's own regulatory agency. Consequently, MARAD will require applicants to submit five years of certified financial data to enable MARAD to assess the financial strength and solvency of the applicant. Normally, this would be the same data which the underwriter must submit to the regulatory agency in its country of domicile. However, MARAD reserves the right to request additional data if the applicant's submissions are considered inadequate.

MARAD intends to perform its own evaluation of the data submitted by applicant foreign underwriters, using criteria comparable, though not necessarily identical, to those used by the NAIC. MARAD intends to use comparable evaluation criteria for all underwriters to the extent possible. However, its principal objective in the evaluation process is to be satisfied that the foreign underwriters are financially sound, and their participation would not create any undue risk for either the assets insured or the MARAD program involved. Services such as those provided by Insurance Solvency International would be especially helpful in the evaluation process. In fact, to serve as an initial screen of applicants, MARAD has decided to require that foreign underwriters seeking to participate in the hull insurance of MARAD program vessels must have an A or comparable rating from an accepted international rating service. MARAD is not specifying ISI as the only approved rating service so as not to preclude A. M. Best, or other qualified companies that might decide to provide such a service, from being acceptable for MARAD purposes.

With respect to the confidentiality of data submitted by applicants and approved foreign underwriters, pursuant to the Freedom of Information Act, such data are considered confidential commercial or financial information not to be disclosed to the public [5 U.S.C. 552(b)(4)]. A provision is included in the regulation under which data would be held in confidence.

Regulatory Regime

In the NPRM, applicant foreign underwriters would be required to submit a comprehensive description and English language version of the regulatory regime in place in their country of domicile. Approval of the underwriter would be based in part upon MARAD's assessment of whether there is adequate regulation to maintain high quality security.

It is the view of the AIMU that it is preposterous for MARAD to attempt to evaluate the adequacy of regulation in the applicant's home country merely by reading the insurance statutes of that country. The AIMU believes that would require considerable technical evaluation by highly skilled analysts.

MARAD's principal objective in this area is to ensure that there is adequate regulation of the applicant in its home country. Just as it requires state licensing to be an eligible U.S. underwriter (that is, subject to an adequate system of regulation), MARAD simply does not want to approve any underwriters that are not subject to regulation in their home country. The proposed rule provided specifically for contact with the foreign national regulatory authorities, as appropriate, during the evaluation process. MARAD will certainly perform whatever level of evaluation is required to satisfy itself that the foreign regulatory scheme is adequate to maintain high quality security. If it cannot so satisfy itself, approval will not be granted.

Non-discrimination Policy

The NPRM provided for the filing of an affidavit by each foreign applicant underwriter to demonstrate that there is nothing to preclude a U.S. insurer from obtaining the same access to the applicant's home market as the applicant is seeking to the U.S. market.

The Swedish Club suggested that the notice to be published in the **Federal**

Register concerning each application should be limited to discrimination issues and not be an opportunity for general comment on the applicant or the application. The final rule allows for comment on discrimination issues but does not eliminate MARAD's discretion to seek general comments if MARAD believes that general comments should be sought with respect to a particular application.

Energy Transportation Corporation noted that in some countries it may be impossible to render the required affidavit, but that the proper standard to measure reciprocity ought to be whether it actually exists in commercial practice. MARAD agrees, and the final rule reflects this change.

The American marine insurance interests believe that MARAD's proposed policy is particularly ineffectual because it applies only to hull insurance. They believe that any country which imposes any form of restrictive practice on any class of marine insurance should be barred and that to confine inquiry to hull insurance makes a mockery of programs to control restrictive practices. The AIMU further stated that it is MARAD's responsibility to determine the existence of restrictive practices, and that by indicating it would "take whatever action it deems appropriate," MARAD was making no commitment on the issue, which is unacceptable.

MARAD does intend to make a commitment on this issue. It will not approve access to the U.S. hull insurance market which is unavailable to U.S. insurers abroad. The reference to "appropriate action" is intended to cover both further investigation by MARAD as well as any decisions to pursue the issue further, i.e., through the U.S. trade representative, if warranted. Similarly, MARAD did not mean to imply that it was washing its hands of regulatory duties by stating it would rely on the U.S. industry to supply information regarding restrictive practices. It was simply reflecting the reality that the U.S. market was the most likely source of such information. Textual changes have been made to the final rule to reflect the above.

However, MARAD does not agree with the proposition that any form of restrictive practice on any class of marine insurance ought to create an absolute bar to insurers from that country. This is a rule dealing with hull insurance only, and reciprocity ought to be confined to that limited class. The range of marine insurance is to vast, and the American market is already pursuing the question of restrictive practices in other areas of marine insurance through the appropriate channels. Accordingly, the final rule limits the reciprocity issue to hull insurance practices.

U.S. Trust Fund

The NPRM included a provision to require approved foreign underwriters to maintain a $1 million trust fund for the benefit of its U.S. policyholders.

The AIMU believes the $1 million proposal to be woefully inadequate, suggesting a minimum of $1.5 million initial surplus plus the maintenance of all insurance funds, such as outstanding loss and unearned premium reserves in highly liquid U.S. dollar investments such as U.S. Treasury instruments. They also believe that MARAD needs to be concerned with currency restrictions in the home markets of both the insurer and any reinsurers involved. To ensure that claimants would have full access to the assets of the insurer, MARAD should require establishment of a U.S. branch. According to the AIMU, this would be the best way to attract fair competition from foreign insurers.

The Swedish Club, on the other hand, believes that if found qualified, it should not be required to establish a trust fund. It would be an unnecessary and burdensome regulation that would produce higher premiums. The Club also questioned whether the trust fund requirements should be different for each underwriter.

Vesta understands MARAD's desire to impose trust fund requirements, but urges MARAD not to place unreasonable demands in this area. Vesta notes that in Norway such requirements exist only if the insurer is establishing a branch or subsidiary, or employing a permanent agent.

One of the U.S carrier respondents also questioned whether the trust fund requirements would be generally applicable to all foreign underwriters or whether each underwriter would have different trust requirements. This is particularly important if owners and brokers are to be responsible for reporting compliance.

MARAD believes that it is important to require maintenance of attachable assets in this country to minimize the risk to MARAD program participants. Consequently, the final rule retains the requirement that all policies contain a New York Suable Clause or a Service of Suit (USA) Clause, and that all approved foreign underwriters be required to maintain a U.S. trust fund.

As to the amount of the trust fund, MARAD agrees with the AIMU that the original proposal was too low. However, retention of all insurance funds in this country would, in MARAD's view, be too onerous a requirement. MARAD also notes the minimum amount of $1.5 million required by the NAIC to be included in its review of alien insurers.

MARAD believes that ultimately the size of the trust fund ought to be related to the amount of business written in this country. However, its immediate need is to establish a minimum requirement which will be large enough to establish an insurer's true desire to participate in the program but not so large as to create an undue burden. Accordingly, MARAD will require a U.S. trust fund of at least $1.5 million, applicable to all foreign insurers. This requirement may be satisfied by means of an appropriate irrevocable letter of credit. Provision for periodic review and adjustment of the minimum requirement will be retained. Any future change in the generally applicable minimum requirement will be published in the Federal Register, and if MARAD should decide to impose more specific individual trust fund requirements based upon business volume, program participants will be appropriately notified.

With respect to concern for currency restrictions abroad, that would certainly be a factor which MARAD would consider prior to approval of a foreign underwriter.

MARAD does not believe it necessary to require establishment of a U.S. branch if all of its other requirements for approval are met. Such a requirement would, in effect, mean no deregulation at all. As indicated in the NPRM, a foreign underwriter which establishes a branch and becomes licensed in a state would be eligible to participate as part of the American market (subject, of course, to meeting all of the qualification requirements imposed on other American companies).

Annual Approvals of Foreign Underwriters

The NPRM provided that approvals of foreign underwriters be for a period of one year only.

Among the carriers commenting specifically on this point, one agreed and another disagreed. The latter believed that it was necessary to have a longer period to establish a performance record and enable the underwriters to offset a bad loss in one year against the continuing relationship in future years.

The Swedish Club urged that approvals be open-ended because annual approvals eliminate the stability that underwriters and owners need for sound business planning, and it creates uncertainty where none is necessary.

Much of MARAD's original reason for proposing annual approvals has

disappeared with the emergence of at least one suitable international rating service. With the requirement in the final rule that approved foreign underwriters maintain an A or comparable rating, MARAD is comfortable with open-ended (albeit revocable) approvals. Accordingly, the requirement for annual approvals has been dropped from the final rule. However, a requirement for annual filing of financial statements is retained.

Limitation on Risk

In the NPRM, MARAD had proposed a means by which an underwriter could write a line of insurance on a single vessel in excess of the normal five percent of its Policyholders' Surplus. This was based upon the theory that net retention (after reinsurance) is the most meaningful basis upon which to limit an underwriter's risk in a single vessel. It involved an evaluation of the quality and concentration of the insurer's reinsurance program.

The American marine insurance market and one of the carriers opposed the net retention concept. The other carriers supported the concept, while the Swedish Club argued for no limitation on risk.

The AIMU urged MARAD to continue to limit risk before reinsurance, arguing that good insurance practice requires a balance between the risks insured and the surplus available. Most failures in recent years were among insurers who retained very little on a net basis. The collective soundness of a reinsurance program can only be measured by the soundness of each reinsurer. Uncollectible reinsurance is a major problem facing property/casualty insurers today. Even the existence of a sound program is no guarantee that the reinsurers will pay. Some have declined to pay on the basis of late notice of claims, or claims of fraud by the insured or primary insurer. Since the reinsurer is not obligated to pay until the primary insurer pays, there must be adequate surplus to cover "shock losses." Consequently, the AIMU argues, the 5 percent gross line authorization requirement should be strictly enforced to make certain adequate funds are available to cover losses.

The AIMU also urged that the limitation on risk only be applied to assets held within the United States; otherwise it would be grossly unfair to U.S. underwriters and risky for the U.S. Treasury. There also ought to be a substantial spread of reinsurance to avoid potential problems.

Other U.S. underwriters commenting on this issue believed that limitation on the basis of net retention posed too much risk, and noted that inability to collect legitimate reinsurance claims is frequently a major cause of failures.

One of the U.S. carriers stated that use of the net retention standard might place MARAD programs at undue risk unless the quality of the reinsurance can be assured. The carrier believes it unwise for MARAD to look through to the reinsurance and that the standard should only be based upon the insurer's own Policyholders' Surplus.

Another carrier suggested that it would also be necessary to monitor the concentration of reinsurance from the point of view that the reinsurer might take lines from several primary underwriters on the same risk.

The Swedish Club argued that there should be no limit on risk. The vessel owner should decide if the underwriter is accepting too much risk on a single vessel, as the owner is in a much better position that a government agency to judge business risks. Limits based on capital and net surplus, while consistent with accounting practices of stock companies, are alien to mutuals such as the Swedish Club whose real strength is the combined strength of its members. The Club agreed to provide details of its reinsurance provided confidentiality is maintained. However, it stated that MARAD's position regarding evaluation of an applicant's reinsurance program may be encroaching upon the business prerogatives of the hull underwriter and his customer.

After review of the comments, MARAD continues to believe that net retention is a valid measure of the underwriter's risk on a single vessel. However, MARAD's proposal as originally conceived would require a level of involvement with reinsurance programs which MARAD is not willing to undertake. Nevertheless, MARAD recognizes that in certain special situations, such as with mutual organizations, strict application of its normal limitation standard may not be appropriate. Consequently, MARAD has decided to retain its previous policy with respect to limitation on risk, but with a procedure, described below, responsive to special needs as they arise.

MARAD is also very much aware of its responsibility as guarantor of a large portfolio of Title XI debt obligations that are secured by vessels. While it needs to meet its promotional responsibilities to ensure a competitive U.S.-flag merchant marine, MARAD cannot permit an insurance program which would in any way jeopardize the Title XI program. Therefore, in an effort to balance the competing and, in some sense, potentially conflicting responsibilities, MARAD has decided upon the following policy with respect to limitation of risk.

It will be MARAD's general policy that underwriters may take a line on any single risk only up to five percent of its Policyholders' Surplus. However, exceptions for certain underwriters may be granted in special circumstances and for good cause shown. Approval of underwriters in such cases may only be granted in advance of any actual placement, and are subject to all of the other application and approval procedures contained in the regulation.

In such exceptional cases, the underwriter's net retention on any single risk may not exceed five percent of its Policyholders' Surplus, the gross amount of the risk may not exceed its surplus, and the reinsurers must have a high (A or comparable) rating from an accepted international rating service. In addition, the owner of the vessel must provide the Maritime Administration with a separate insurance policy covering its interest as mortgagee in an amount equal to the difference between the net retention and the amount of the line taken by the underwriter. This mortgagee's interest policy must be with underwriters and on terms and conditions satisfactory to MARAD. The surplus upon which the limitation is based may be held anywhere, and need not be related only to assets held in this country. The final rule reflects this policy.

An ancillary issue in connection with line size and trust fund requirements was raised by an American carrier who suggested that it should not be the responsibility of the owner and broker to ensure that MARAD's requirements in these areas are met.

MARAD disagrees. It is obviously the responsibility of the foreign underwriter seeking to participate in the MARAD program to obtain the requisite approvals. However, once approval has been obtained, the broker dealing with that underwriter on behalf of its client can easily confirm that the necessary approvals have been obtained, that the trust fund is in place and that the line size for the placement being arranged does not exceed prescribed limits. Accordingly, the text of the final rule remains unchanged.

This is not meant to imply that MARAD will not monitor compliance with these parts of the regulation. It is intended to make clear that MARAD does not want to receive documentation on placements which includes underwriters who are not approved, do not have the necessary trust funds, or exceed the prescribed limits on line size.

Subsidy Reduction

Some of the carriers noted that reduced hull insurance costs to the subsidized carriers will also reduce the costs to MARAD of future subsidy payments. While that has not been a primary motivation for this rulemaking, it is certainly a true statement, and taxpayers will thus indirectly receive such benefits.

Balance of Payments

The AIMU argued that the loss of substantial premium to foreign underwriters would seriously affect our balance of payments. The premium flow abroad plus commissions paid to foreign brokers would represent additional export of dollars.

However, one of the carriers indicated there would be no particular impact since some of the premium is already going abroad to British underwriters and much of the premium will be returned in claims payments.

MARAD would simply add that if overall premiums are reduced and U.S. market share is maintained (as MARAD expects), there could actually be a net inflow to the balance of payments as a result of this rule.

Foreign Government Ownership

The AIMU has strongly urged that MARAD revise the rule to exclude foreign-government owned or controlled companies from MARAD-related insurance business. According to the AIMU, such ownership precludes admittance as an insurer in the major maritime states of the United States. Supplemental material submitted by the AIMU as to the rationale for these statutes indicates that they are clearly protectionist and anti-competitive.

MARAD is attempting to stimulate competition to ensure that its program vessels are able to obtain the best insurance at the best price. MARAD also wants to ensure that such placements entail minimal risk for MARAD programs and the U.S. Treasury, a goal which the AIMU has consistently admonished MARAD to pursue. It is MARAD's view that participation by the French underwriters to which the AIMU has strenuously objected furthers both of those objectives. French participation in the marine hull placement on the Energy Transportation Corporation (ETC) fleet contributed to a significant reduction in rates. As underwriters, they are found to be financially sound and reputable companies. While they were not evaluated on the basis of their ownership, the involvement of the French government certainly does not impair the quality of the security, and may actually enhance it.

It should also be noted that the French companies have, in the past, participated on MARAD program vessels through their ILU member companies. They were also substantial reinsurers for both the American and London underwriters who were the direct insurers on these same ETC vessels in earlier years. Consequently, MARAD is not persuaded that there should be any provision in the rule to specifically exclude underwriters which are owned or controlled by a foreign government. If government ownership or control were to be a factor which affected adversely the creditworthiness or competitiveness of an insurance company, then MARAD would consider that factor in the course of its approval process. Similarly, if the foreign government involvement resulted in discrimination against U.S. marine hull insurers, MARAD would certainly consider that factor as well in the course of its approval process.

Major Rule Classification

The AIMU has continued to object to MARAD's determination that this matter does not qualify as a major rule. The AIMU does not understand how the MARAD staff could estimate annual premiums to be as low as $42 million when its estimates are between $120 and $180 million. The AIMU believes the MARAD estimate is derived from an assumption that the non-admitted foreign underwriters would only be skimming the cream of the blue water hull business.

MARAD cannot be sure how the AIMU derived its premium estimates. However, it appears to be related to a $12 billion estimate of insured values on MARAD program vessels in 1985, with rate estimates ranging from $1 to $1.50 per $100 valuation. As indicated in the Draft Regulatory Evaluation, MARAD's estimate is derived from the reserved portion of the required hull insurance, based upon the outstanding balance of obligations on all Title XI program vessels, with an addition for subsidized vessels not included in the Title XI program. The initial estimate was based upon the outstanding balance of obligations of $5.1 billion on June 30, 1986, and a rate estimate of $1 to $1.50 per $100 valuation.

There was no assumption by MARAD as to any particular group of vessels which might ultimately be insured by foreign underwriters. In fact, it has always been MARAD's belief that the American marine insurance market is able to compete effectively in the marketplace, with MARAD-related hull business representing as little as 25 percent of the hull business written by the American market. Consequently, MARAD does not even project any appreciable shift in U.S. market share.

MARAD's required hull insurance is generally the higher of 110 percent of outstanding Title XI obligations or market value of the vessel. In the current market environment, the 110 percent of Title XI obligations is a reasonable estimate of MARAD hull insurance requirements. It is only the reserved portion of MARAD's hull requirements that represent the amount which could be lost to the American market in a worst case scenario. Therefore, the estimate was $5.1 billion $\times$ 110 percent $\times$ 75 percent (reserved portion) $\times$ $1–$1.50 = $42–$63 million. Actually, the current outstanding balance is only $4.2 billion, so the premium estimate, if made today, would be only $35–$52 million. This, of course, represents the worst case scenario—the highly unlikely total loss of market. The more likely impact, resulting from a general reduction of premium levels, would be only a small fraction of that amount, and certainly not of a magnitude which would suggest that the survival of the marine insurance industry is in jeopardy.

Consequently, the final rule remains significant, but not major.

Miscellaneous

One carrier suggested that MARAD eliminate the required use of the AIMU form of policy, since in today's insurance and risk management environment, alternative insuring mechanisms and contractual arrangements could further reduce costs. MARAD believes that the use of the AIMU policy form has worked well over the years, and that it provides a consistency of coverage that helps to keep program administration costs down. There are, of course, exceptions to the rule, by which MARAD accepts other forms if there is no AIMU policy form appropriate for the coverage, as in the case of drill rigs and certain inland coverages. MARAD does not mean to preclude by this requirement all possibility for the use of alternative policy forms. If there were some compelling reason to depart from the use of the AIMU policy forms, MARAD would certainly consider it upon appropriate application from a program participant. In order to make this point clearer, the text of the final rule has been slightly modified to reflect the possibility to use alternative forms in appropriate circumstances.

That same carrier also suggested that MARAD remove the prohibition against the use of captive insurance companies and the limitation of total loss coverage to 20 percent of total insured value. Since neither of these issues appears in either the proposed or final rule, they are outside the scope of this rulemaking. Consequently, the carrier's comments on these points will be considered at a later time.

E.O. 12291, Statutory and DOT Requirements

The Maritime Administrator has determined that this regulation is not a major rule, as defined in E.O. 12291, but is significant under DOT regulatory policies and procedures (DOT Order 2100.5) due to controversy and considerable public interest. This was also deemed a significant regulatory action in the Administration's 1987 Regulatory Program. A final Regulatory Evaluation has been prepared to assess the economic impact of the rule, and has been placed in the public docket.

Since this regulation will principally affect ship operators and insurance companies with substantial annual revenues, the Maritime Administrator certifies that this regulation will not exert a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act of 1980 (5 U.S.C. 601 et seq.). The proposed rulemaking contains new information collection requirements in §§ 249.6(c), 249.7 (g) and (h) which have been submitted to the Office of Management and Budget for approval pursuant to the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.).

This action has been analyzed in accordance with the principles and criteria contained in Executive Order 12612, and it has been determined that this final rule has no federalism implication that warrants the preparation of a Federalism Assessment.

List of Subjects in 46 CFR Part 249

Grant programs—transportation insurance, Insurance companies, Maritime carrier.

Accordingly, MARAD is hereby adding new Part 249 to Subchapter C of Chapter II, Title 46, Code of Federal Regulations, to read as follows:

PART 249—APPROVAL OF UNDERWRITERS FOR MARINE HULL INSURANCE

Sec.

Authority: Sec. 204(b), 1109, Merchant Marine Act, 1936, as amended (46 App. U.S.C. 1114(b), 1279b); 49 CFR 1.66.

§ 249.1 Purpose.

This part prescribes certain regulations governing the placement of marine hull insurance on vessels built or operated with subsidy or covered by vessel obligation guarantees issued pursuant to Title XI of the Merchant Marine Act, 1936, as amended (Act). (46 U.S.C. 1271–1279)

§ 249.2 Policy.

(a) It is the policy of the Maritime Administration (MARAD) that companies subject to requirements for the placement of marine hull insurance shall be afforded the widest possible opportunity to obtain the necessary coverage, with minimal regulatory constraints, with financially sound underwriters, and that such placement should not create any unnecessary impediments to competitive maritime operations.

(b) It is also the policy of MARAD to require owners of vessels with ODS or Title XI obligation guarantees to allow the American marine insurance market the opportunity to compete for the marine hull insurance on their vessels before such insurance is placed. Consistent with sound business judgment, owners will be expected to place their insurance with the American market to the maximum extent possible when the rates, terms and conditions offered by American underwriters are competitive with those offered by foreign underwriters.

§ 249.3 Amounts of Insurance.

MARAD will inform the owner of each vessel that is subsidized or covered by vessel obligation guarantees, prior to initial placement and at least annually thereafter, of the minimum amount of insurance required to be placed on the vessel.

§ 249.4 Eligibility.

In General. All required marine hull insurance must be placed with:

(a) Underwriters licensed to do business in one or more of the United States;

(b) Underwriters at Lloyds;

(c) Member companies of the Institute of London Underwriters; or

(d) Other underwriters specifically approved in advance by the Maritime Administration.

§ 249.5 Eligibility criteria.

(a) *U.S. Underwriters.* Underwriters licensed to do business in a state are eligible to participate without further consideration, provided they have at least a B security rating, as published in the latest edition of A.M. Best's Insurance Reports, and the amount of insurance does not exceed the limitation on risk prescribed in § 249.8.

(b) *Foreign Underwriters.* (1) Underwriters at Lloyds are eligible to participate without further consideration.

(2) Underwriters which are members of the Institute of London Underwriters (ILU) (i.e., *member* companies, not parents or affiliates of the member companies) are eligible to participate without further consideration, provided that the ILU member company actually underwriting the risk maintains a trust fund in the United States for the benefit of its U.S. policyholders in an amount at least equal to the minimum provided in § 249.7(d), and the amount insured does not exceed the limitation on risk prescribed in § 249.8. Parent companies or affiliates of the ILU member companies are treated as other foreign underwriters under subsection (c) of this section.

MARAD reserves the right to review this eligibility at any time.

(c) *Other Foreign Underwriters.* Foreign underwriters, other than those specified in paragraphs (b) (1) and (2) of this section, may also be eligible to participate in the writing of marine hull insurance on MARAD program vessels, if approved to do so in accordance with the procedures contained in §§ 249.6 and 249.7.

(d) *Documentation of Eligibility.* It shall be the responsibility of the vessel owner and its broker to ensure that the requirements of this section are met, and they should be able to provide MARAD, upon request, with documentation to that effect.

§ 249.6 Application procedures.

(a) MARAD may grant specific approval for underwriters described in § 249.5(c) to participate in the writing of marine hull insurance on MARAD program vessels, only in advance of any actual placement.

(b) Only those foreign underwriters who have obtained a high rating (A or comparable) from an accepted international rating service may apply, and if approved, such approval will be contingent upon continued maintenance

of such rating. MARAD will make available to interested parties the names of any accepted international rating service.

(c) To seek approval, an applicant shall submit to MARAD:

(1) Certified financial data for the five previous years in sufficient detail to enable MARAD to assess the financial strength and solvency of the applicant. Normally, this would be the same data which the underwriter must submit to the regulatory agency in its country of domicile. However, MARAD may request additional data if the applicant's submissions are considered inadequate;

(2) A comprehensive description and English language version of the insurance regulatory regime that is in place in the insurer's country of domicile. (After review, MARAD may contact the foreign national regulatory authorities, as appropriate);

(3) An affidavit in writing, executed by an agent of the applicant who is a domiciliary of the United States, and supported by appropriate documentation, to demonstrate that there is nothing in either law or practice to preclude a U.S. insurer from obtaining the same access to the applicant's home market as the applicant is seeking to the U.S. market, and

(4) The details of its reinsurance program, if it wishes to write any risks in excess of five percent of its policyholders' surplus. These details shall be accompanied by a statement that clearly demonstrates the special circumstances and good cause by which MARAD should be persuaded to modify its general policy on limitation of risk described in § 249.8.

§ 249.7 Approval

(a) Approval of the applicant will be based upon an assessment of the applicant's financial condition and solvency, its rating by an accepted international rating service, suitability of the regulatory regime under which the applicant must operate in its home country, and on the principle of reciprocal non-discrimination. MARAD will not approve access to the U.S. hull insurance market, if U.S. insurers are denied similar access to the hull insurance market in the applicant's home country.

(b) MARAD will publish in the **Federal Register** each Notice of Application received from foreign underwriters described in § 249.5(c), affording interested persons an opportunity to bring to MARAD's attention any discriminatory laws or practices relating to the placement of marine hull insurance which might exist in the applicant's country of domicile.

(c) In granting approval, MARAD will consider all materials available to it, and may impose reasonable terms and conditions upon any such approvals granted.

(d) Upon approval, applicant will be required to establish and maintain for the benefit of its U.S. policyholders a U.S. trust fund in the amount of at least $1.5 million, such amount to be reviewed periodically (but not more frequently than annually), and adjusted as appropriate. This requirement may be satisfied by means of an appropriate irrevocable letter of credit.

(e) All policies, at the time of issuance, shall contain the latest American Institute of Marine Underwriters' forms, or equivalent, as approved by MARAD.

(f) All policies issued by foreign underwriters shall include New York Suable Clause or Service of Suit (USA) Clause.

(g)(1) To maintain approval, foreign underwriters, other than those specified in § 249.5(b), shall, in addition to retaining the high rating from an accepted international rating service, file annual financial statements in the same level of detail as required for original approval. Such statements shall be due within 120 days after the close of the underwriter's annual accounting period.

(2) In addition, a new affidavit concerning the lack of discriminatory laws or practices related to hull insurance in the underwriter's home market, as described in § 249.6(c)(3), shall be filed annually at the same time as the financial statements.

(h) Since there is no annual reapproval required, foreign underwriters which are approved shall agree to submit additional information, as requested by MARAD, if it has reason to believe there has been a change in the underwriter's financial status or business practices which could affect the quality of its security. Failure to provide such information on a timely basis could result in immediate withdrawal of the authorization to write hull insurance on MARAD program vessels.

§ 249.8 Limitation on risk.

(a) Underwriters may take a line on any single risk in excess of five percent of its Policyholders' Surplus only with the prior approval of MARAD. MARAD will grant such approval to certain underwriters only in special circumstances, and for good cause shown. The standard to be applied in such cases shall be that the underwriter's *net* retention on any single risk may not exceed five percent of its Policyholders' Surplus, the gross amount of the risk may not exceed its surplus, and the reinsurers must have a high (A or comparable) rating from an accepted international rating service.

(b) The vessel owner shall also provide MARAD with a mortgagee's interest policy in an amount equal to the difference between the net retention and the amount of the line taken by such underwriter.

§ 249.9 American market participation.

(a) Owners of vessels receiving ODS or Title XI vessel obligation guarantees, or their brokers, shall offer to the American marine insurance market the opportunity to compete for the placement of marine hull insurance on each vessel. Consistent with sound business judgment, owners will be expected to place their insurance with the American market to the maximum extent possible when the rates, terms and conditions offered by American underwriters are competitive with those offered by foreign underwriters. MARAD will make available a list of approved American underwriters and their capacities.

(b) In the event that less than 50 percent of the placement is made with the American marine insurance market, the owners, or their brokers, shall file an affidavit confirming that the risk has been offered to a substantial portion of the American market. The affidavit shall list the American underwriters to which the risk was offered, and such underwriters shall account for at least 50 percent of the approved American market capacity, or 75 percent in the event that more than 75 percent of the risk was placed in foreign markets.

(c) Failure to comply with (a) or (b), above, may result in MARAD requiring that the risk be reoffered and that the existing placement be modified, as deemed appropriate.

§ 249.10 Non-discrimination policy.

To administer effectively the policy regarding non-discrimination against U.S. insurers in other countries, as described in §§ 249.6(b)(3) and 249.7(a), MARAD seeks the assistance of the American marine insurance industry to provide information at the time of publication of Notice of Application described in § 249.7(b) concerning the existence of any discriminatory laws or practices in the marine hull insurance market abroad. Upon receipt of such information, MARAD will take whatever action it deems appropriate.

§ 249.11 Confidentiality.

(a) If the data submitted under this rule contain information that the submitter considers to be commercial or financial information and privileged or confidential, or otherwise exempt from disclosure under the Freedom of Information Act (FOIA) (5 U.S.C. 552), the submitter shall assert a claim of exemption at the time the data are submitted. The claim shall be made in a letter contained in a sealed enveloped marked "Confidential Information," addressed to the Secretary, Maritime Administration. The submitter shall stamp or mark "confidential" on the top of each page containing information claimed to be confidential.

(b) In claiming an exemption under FOIA, the submitter must state the basis for such action, including supporting information showing: (1) That the information claimed to be confidential is a trade secret or commercial or financial information in accordance with statutory and decisional authority; and (2) that measures have been taken by the submitter of the information to ensure that the information has not been disclosed or otherwise made available to the public, or, if the information has been disclosed or otherwise becomes available to the public, why such disclosure or availability does not compromise the confidential nature of the information.

(c) In the event of a subsequent request for any portion of the data under the FOIA, those submissions not so claimed by the submitter will be disclosed, and those so claimed will be subject to the initial determination by the Secretary, Maritime Administration.

(d) If the Secretary makes a determination unfavorable to the submitter, the submitter will be advised that MARAD will not honor the request for confidentiality at the time of any request for production of information under the FOIA by third parties.

§ 249.12 Waivers.

The provision of this part may be waived in writing, for special circumstances and good cause shown, provided the procedures adopted are consistent with the Act and with the intent of these regulations.

Dated: June 15, 1988.

By Order of the Maritime Administrator.

James E. Saari,

Secretary, Maritime Administration.

[FR Doc. 88-13828 Filed 6-15-88; 8:45 am]

BILLING CODE 4910-81-M

Office of the Secretary

49 CFR Part 1

[OST Docket No. 1; Amdt 1-226]

Organization and Delegation of Powers and Duties

AGENCY: Office of the Secretary, DOT.

ACTION: Final rule.

SUMMARY: This document delegates certain authorities to the National Highway Traffic Safety Administrator resulting from the enactment of the Surface Transportation Assistance Act of 1982, the Truth in Mileage Act of 1986, and the Surface Transportation and Uniform Relocation Assistance Act of 1987. Other changes are made as necessary to update the regulation (e.g. provisions which are no longer effective are deleted).

EFFECTIVE DATE: June 20, 1988.

FOR FURTHER INFORMATION CONTACT: Sam Whitehorn, Office of the Assistant General Counsel for Regulation and Enforcement, C-50, U.S. Department of Transportation, 400 Seventh Street SW., Washington, DC 20590, telephone 202-366-4723.

SUPPLEMENTARY INFORMATION: Since these amendments relate to Departmental management, procedures, and practice, notice and comment on them are unnecessary and they may be made effective in fewer than thirty days after publication in the **Federal Register**.

This rule revises § 1.50, the Secretary's delegations of authority to the National Highway Traffic Safety Administrator. The new § 1.50 reflects the following changes:

Paragraph (a) is amended to delete the statutory reference in the citation.

Paragraph (b) is amended to delete the statutory reference in the citation and to cite the United States Code in a format consistent with other paragraphs.

Paragraph (c) is amended to delete the public law and statutory references in the citation of the amendment and to include the following citation * * * Clean Air Act (42 U.S.C. 7544(2)) * * *. Paragraph (d) is amended to delete the statutory reference in the citation.

Paragraph (e) is amended to delete the statutory reference in the citation and to include the National Driver Register Act of 1982 (23 U.S.C. 401 note).

Paragraph (f) is amended to correct the citation as follows: * * * as amended (15 U.S.C. 1901 et seq.) * * *.

Paragraph (g) is deleted.

Paragraph (h) is deleted.

Paragraph (i) is now paragraph (g) and is amended to read as follows:

Administer the following sections of Title 23, United States Code, with the concurrence of the Federal Highway Administrator:

(1) 141, as it relates to certification of the enforcement of speed limits;

(2) 154 (a), (b), (d), (e), (f), (g) and (h); and

(3) 158.

Paragraph (j) is now paragraph (h) and is amended to read as follows: Carry out the consultation functions vested in the Secretary by Executive Order 11912, as amended.

Paragraph (k) is now paragraph (i) and is amended to read as follows: Carry out section 209 of the Surface Transportation Assistance Act of 1978, as amended (23 U.S.C. 401 note) and section 165 of the Surface Transportation Assistance Act of 1982, as amended (23 U.S.C. 101 note), with respect to matters within the primary responsibility of the National Highway Traffic Safety Administrator.

Paragraph (l) is deleted.

New paragraphs (j), (k) and (l), with additional delegations, are added:

Paragraph (j)—Certain authorities vested in the Secretary by the Surface Transportation Assistance Act of 1982 (49 U.S.C. 2314) relating to the establishment of minimum standards for performance and installation of splash and spray suppression devices are delegated to the National Highway Traffic Safety Administrator, subject to concurrence with the Federal Highway Administrator.

Paragraph (k)—Certain authorities vested in the Secretary by the Truth in Mileage Act of 1986 (15 U.S.C. 1901 note) relating to the disclosure of motor vehicle mileage when motor vehicles are transferred are delegated to the National Highway Traffic Safety Administrator.

Paragraph (l)—Certain authorities vested in the Secretary by the Surface Transportation and Uniform Relocation Assistance Act of 1987, Pub. L. 100-17, section 204(b) (101 Stat. 132), (Use "23 U.S.C. 402 note" if codified by the time **Federal Register** notice is to appear) relating to school bus safety are delegated to the National Highway Traffic Safety Administrator.

List of Subjects in 49 CFR Part 1

Authority delegations (government agencies), Organization and functions (government agencies).

In consideration of the foregoing Part 1 of Title 49 of the United States Code is amended as follows:

PART 1—[AMENDED]

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

Authority: 49 U.S.C. 322(a).

2. Section 1.50 is revised to read as follows:

§ 1.50 Delegation to the National Highway Traffic Safety Administrator.

The National Highway Traffic Safety Administrator is delegated authority to:

(a) Carry out the National Traffic and Motor Vehicle Safety Act of 1966, as amended (15 U.S.C. 1381 et seq.).

(b) Carry out the Highway Safety Act of 1966, as amended (23 U.S.C. 401 et seq.), except for highway safety programs, research and development relating to highway design, construction and maintenance, traffic control devices, identification and surveillance of accident locations, and highway-related aspects of pedestrian and bicycle safety.

(c) Exercise the authority vested in the Secretary by section 210(2) of the Clean Air Act, as amended (42 U.S.C. 7544(2)).

(d) Exercise the authority vested in the Secretary by section 204(b) of the Federal Railroad Safety Act of 1970 (45 U.S.C. 433(b)) with respect to laws administered by the National Highway Traffic Safety Administrator pertaining to highway, traffic and motor vehicle safety.

(e) Carry out the Act of July 14, 1960, as amended (23 U.S.C. 313 note) and the National Driver Register Act of 1982 (23 U.S.C. 401 note).

(f) Carry out the functions vested in the Secretary by the Motor Vehicle Information and Cost Savings Act of 1972, as amended (15 U.S.C. 1901 et seq.), except section 512.

(g) Administer the following sections of Title 23, United States Code, with the concurrence of the Federal Highway Administrator:

(1) 141, as it relates to certification of the enforcement of speed limits;

(2) 154 (a), (b), (d), (e), (f), (g) and (h); and

(3) 158.

(h) Carry out the consultation functions vested in the Secretary by Executive Order 11912, as amended.

(i) Carry out section 209 of the Surface Transportation Assistance Act of 1978, as amended (23 U.S.C. 401 note) and section 165 of the Surface Transportation Assistance Act of 1982, as amended (23 U.S.C. 101 note), with respect to matters within the primary responsibility of the National Highway Traffic Safety Administrator.

(j) Administer section 414(b)(1) of the Surface Transportation Assistance Act of 1982, as amended (49 U.S.C. 2314) with the concurrence of the Federal Highway Administrator, and section 414(b)(2).

(k) Carry out section 2(c) of the Truth in Mileage Act of 1986 (15 U.S.C. 1988 note).

(l) Carry out section 204(b) of the Surface Transportation and Uniform Relocation Assistance Act of 1987, Pub. L. 100–17 (101 Stat. 132) with the coordination of the Federal Highway Administrator.

Issued on: 23rd day of May, 1988.

James Burnley,

Secretary of Transportation.

[FR Doc. 88–13850 Filed 6–17–88; 8:45 am]

BILLING CODE 4910–62–M

Proposed Rules

Federal Register
Vol. 53, No. 118
Monday, June 20, 1988

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.

OFFICE OF PERSONNEL MANAGEMENT

5 CFR Part 300

Employment Practices

AGENCY: Office of Personnel Management.

ACTION: Proposed Rulemaking.

SUMMARY: The Office of Personnel Management proposes to amend the appeal procedures currently set forth in the Code of Federal Regulations with respect to job analysis, relevance, and equal employment opportunity requirements currently applicable to Federal Government employment assessment procedures. The proposed amendment would remove certain non-statutory appeals from the jurisdiction of the Merit Systems Protection Board and direct that requests for reconsideration of examination ratings be filed with the Office of Personnel Management or with the agency applying the employment practice in question in appropriate cases. The amendment would also avoid the effect of duplicative enforcement of equal employment opportunity requirements that are within the jurisdiction of, and covered by procedures enforced by, the Equal Employment Opportunity Commission.

DATE: *Comment Date:* August 19, 1988.

ADDRESS: Send or deliver written comments to Hugh Hewitt, General Counsel, Office of the General Counsel, Room 7353, U.S. Office of Personnel Management, 1900 E Street NW., Washington, DC 20415.

FOR FURTHER INFORMATION CONTACT: James S. Green, Associate General Counsel of OPM at (202) 632-5087.

SUPPLEMENTARY INFORMATION: Subpart A of Part 300 of Title 5 of the Code of Federal Regulations (5 CFR) currently sets forth standards for Federal Government employment practices affecting the "recruitment, measurement, ranking, and selection of individuals for initial appointment and competitive promotion in the competitive service . . ." (5 CFR 300.101 (1981)). When the Civil Service Commission, now abolished, adopted this regulation in 1971, the Commission hoped to establish a set of uncomplicated procedures to provide a single means under which a competitor for Federal employment could contest the application of such employment assessment practices and avoid a multiplicity of appeals that were time-consuming and expensive.

Unfortunately, this goal has not been realized in practice. An increasing number of alleged employment assessment appeals have been filed with the Merit Systems Protection Board, the successor to the Commission with responsibility for regulatory appeal procedures of this kind. Many of these appeals have involved employment issues not actually covered by this regulation and, thus, not within the jurisdiction of the Merit Systems Protection Board. With inconsistent jurisdictional and substantive decisions rendered by different field offices of the Merit Systems Protection Board (a body not even in existence or contemplated at the time Part 300 was adopted), and with the potential for time-consuming appellate review by the full Merit Systems Protection Board and then again by the United States Court of Appeals for the Federal Circuit, the original goal of creating a simple, streamlined administrative review procedure has simply not been realized.

Moreover, with respect to 5 CFR 300.103(C), relating to complaints of illegal, invidious discrimination in Federal Government employment, it is no longer appropriate for the Office of Personnel Management to retain this regulation concerning discrimination complaint responsibilities. OPM's former responsibility for processing administrative complaints of discrimination pursuant to the equal employment opportunity provisions of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000e–16 (b) and (c)), has been transferred to the Equal Employment Opportunity Commission under section 3 of Reorganization Plan No. 1 of 1978.

OPM believes that these changes will both improve Government efficiency and promote fairness in the Federal employment process. Highly complex and legalistic paperwork processes will be eliminated, while the respective responsibilities of OPM, the EEOC, and employing agencies will be sharpened, thus enhancing their accountability for actions taken. Layers of administrative review never intended by Congress will be eliminated, while those bodies with statutory responsibility for initial employment decisions will have any ambiguities surrounding their authority removed.

Accordingly, the Office of Personnel Management proposes to amend 5 CFR Part 300, Subpart A, by removing the non-statutory appeal procedures of Subpart A from the jurisdiction of the Merit Systems Protection Board and retaining within the Office of Personnel Management the review and consideration of examination ratings based on the Office of Personnel Management application of assessment procedures. In addition, the proposed amendment deletes the provisions of Subpart A relating to technical descriptions of the requirements for development and use of Federal Government employment practices. Such requirements, though still germane to Federal employment practices, more properly belong, and are set forth in more detail, in the Federal Personnel Manual and related technical instructions concerning development and use of employment practices.

E.O. 12291, Federal Regulation

The Office of Personnel Management has determined that this is not a major rule as defined under Section 1(b) of E.O. 12291, Federal Regulation.

Regulatory Flexibility Act

I certify that this regulation will not have a significant economic impact on a substantial number of small entities because the regulation affects only Federal employees and applicants for Federal employment.

List of Subjects in 5 CFR Part 300

Government employees.

U.S. Office of Personnel Management.

Constance Horner,

Director.

Accordingly, the Office of Personnel Management proposes to amend 5 CFR Part 300 as follows:

PART 300—EMPLOYMENT (GENERAL)

1. The authority for Part 300 is revised to read as follows:

Authority: 5 U.S.C. secs. 552, 3301, 3302, 3304; E.O. 10577, 3 CFR 1954–1958 Comp., page 218, unless otherwise noted.

2. Subpart A is revised to read as follows:

Subpart A—Employment Practices

Sec.
300.101 Purpose.
300.102 Policy.
300.103 Reconsideration of examination ratings.

§ 300.101 Purpose.

The purpose of this subpart is to establish principles to govern, as nearly as is administratively feasible and practical, the employment practices of the Federal Government generally, and of individual agencies, that affect the selection of individuals for appointment, promotion, or retention in the competitive service. For the purpose of this subpart, "employment practices" means examinations, qualification standards, tests, guides, rating schedules, and other instruments used in making personnel decisions in the competitive service.

§ 300.102 Policy.

Competitive employment practices are to be practical in character and, as far as is administratively feasible, job-related. An employiment practice is job-related if, consistent with the Government's need for administrative efficiency and the prudent husbanding of resources, it fairly tests the relative capacity and fitness of candidates for the job to be filled, promotes the productivity and efficiency of the work force, results in selection from among the best qualified candidates, and treats individual employees and applicants for employment fairly and equally in accordance with principles of merit and equal employment opportunity as established under laws, rules, regulations and policies, including guidance issued by appropriate Federal agencies, such as the Federal Personnel Manual, the Uniform Guidelines on Employee Selection Procedures and similar issuances, as revised from time to time.

§ 300.103 Reconsideration of examination ratings.

(a) A candidate may request reconsideration of an examination rating by the Office of Personnel Management or by an agency with delegated examining authority. The reconsideration request shall be filed and processed in accordance with instructions in Chapter 337 of the Federal Personnel Manual.

(b) An applicant or employee may request reconsideration of the application of an agency employment practice to him or her under an agency merit promotion plan or other agency rating system. Such a request shall be filed and processed under an agency grievance system established in accordance with Part 771 of this chapter, or a negotiated grievance system, as appropriate.

[FR Doc. 88–13805 Filed 6–17–88; 8:45 am]
BILLING CODE 6325–01–M

DEPARTMENT OF COMMERCE

Bureau of Economic Analysis

15 CFR Part 801

[Docket No. 805 11–8111]

Annual Survey of Selected Services Transactions With Unaffiliated Foreign Persons

AGENCY: Bureau of Economic Analysis, Commerce.

ACTION: Notice of proposed rulemaking.

SUMMARY: This notice sets forth proposed rules for a new survey, the BE–22, Annual Survey of Selected Services Transactions with Unaffiliated Foreign Persons. The survey is intended to update, on an annual basis, data from the quinquennial BE–20, Benchmark Survey of Selected Services Transactions with Unaffiliated Foreign Persons. A benchmark survey covering 1986 is now being conducted; to provide continuity with that survey, the first year of coverage of the proposed BE–22 annual survey will be 1987.

The data from the BE–22 annual survey, together with the data from the BE–20 benchmark survey, will be used to develop U.S. trade policy and support U.S. negotiations on services trade with foreign countries. They will enable the Government to better assess U.S. competitiveness in, and conduct export promotion programs for, services industries. They will also result in improvement in U.S. balance of payments statistics and in the ability of U.S. services businesses to identify and evaluate market opportunities.

The survey will be conducted by the Bureau of Economy Analysis (BEA), U.S. Department of Commerce, under authority of the International Investment and Trade in Services Survey Act. This proposed rule implements a portion of the President's responsibilities for collecting data on U.S. services trade under the Act. These responsibilities have been delegated to the Secretary of Commerce, who has redelegated them to BEA. This proposed rule will amend 15 CFR Part 801, as published in the **Federal Register** on March 6, 1986.

DATE: Comments on the proposed rule will receive consideration if submitted in writing on or before August 4, 1988.

ADDRESS: Comments may be mailed to the Office of the Chief, International Investment Division (BE–50), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or hand delivered to Room 607, Tower Building, 1401 K Street, NW., Washington, DC 20005. Comments received will be available for public inspection in Room 607, Tower Building, between 8:00 a.m. and 4:00 p.m. Monday through Friday.

FOR FURTHER INFORMATION CONTACT: Betty L. Barker, Chief, International Investment Division (BE–50), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230; phone (202) 523–0659.

SUPPLEMENTARY INFORMATION:

Background

The proposed BE–22, Annual Survey of Selected Services Transactions with Unaffiliated Foreign Persons, will fulfill a major part of the President's mandate, under the International Investment and Trade in Services Survey Act, to conduct a regular data collection program on U.S. services trade. The purpose of the survey is to secure annual data on selected services transactions, both sales and purchases, with unaffiliated foreign persons, by country and by type.

The survey is intended to update, on an annual basis, summary data from the BE–20, Benchmark Survey of Selected Services Transactions with Unaffiliated Foreign Persons, which will be taken once every 5 years. BEA stated its intention to conduct an annual follow-on survey to the BE–20 during the clearance process for the latter. A BE–20 survey covering 1986 is now being conducted; forms were due September 1987 and preliminary results are scheduled for publication in September 1988. The final rule implementing the 1986 BE–20 benchmark survey was published in the May 28, 1987 **Federal Register**, volume 52, No. 102 (52 FR 19842). To provide continuity from that survey, the first year of coverage of the proposed BE–22 annual survey will be 1987.

The criteria for determining who must report are the same on the proposed BE–22 as on the BE–20. A report is *required* from each U.S. person having one or more individual sale or purchase

transactions in excess of $250,000 with an unaffiliated foreign person in any of the types of services covered. In addition, a U.S. person is *requested* to provide, on a voluntary basis, information on the total amount of smaller transactions in each type of service, if the total exceeds $500,000. In order to minimize the reporting burden, only individual transactions that exceed $250,000 are to be reported, by country, on a mandatory basis. Smaller transactions are requested to be reported voluntarily; the reporting may be based on judgment rather than an exhaustive search of records and the data do not have to be disaggregated by country.

Previously, BEA had planned to consider narrowing the coverage of the BE–22, compared with the BE–20, by raising the exemption level for mandatory reporting and possibly eliminating the voluntary reporting of smaller transactions. However, tentative findings of the 1986 BE–20 survey indicate that far fewer companies than expected—less than 1,000 compared with the 7,000 expected—filed BE–20 reports. Also, it appears that transactions of less than $250,000 each are sizable, in total, for some types of services. Thus, by excluding even more data from mandatory reporting, an exemption level higher than $250,000 for the mandatory part of the form would be unlikely to produce sufficiently reliable results to fulfill the intended purposes of the survey. Similarly, elimination of voluntary reporting would forego the collection of a significant amount of data for some types of services. Indeed, for some services, a lowering, rather than a raising, of the exemption level may be indicated. However, BEA is not proposing a change in the exemption level at this time. It will consider recommending such a change only after analyzing new information on unreported transactions to be obtained in the BE–22 and only after it has had sufficient time to consult adequately with respondents and users.

The BE–22 will cover the same types of services as the BE–20, but will collect significantly less detail for several types, namely, sales of advertising, computer and data processing, and data base and other information services, and both sales and purchases of telecommunications services. On the BE–20, these services were reported on separate schedules and, for each, detail by sub-type was requested. On the BE–22, sales of computer and data processing services will be disaggregated into only two sub-types instead of six and, for each of the other services, no detail by sub-type will be collected.

The public reporting burden for this collection of information is estimated to vary from 4 to 500 hours per response, with an average of 11 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Comments regarding the burden estimate, including suggestions for reducing this burden, may be sent to Director, Bureau of Economic Analysis (BE–1), U.S. Department of Commerce, Washington, DC 20230; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

Executive Order 12291

BEA has determined that this proposed rule is not "major" as defined in E.O. 12291 because it is not likely to result in:

(1) An annual effect on the economy of $100 million or more;

(2) A major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or

(3) Significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

Executive Order 12612

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

Paperwork Reduction Act

This proposed rule contains a collection of information requirement subject to the Paperwork Reduction Act. A request to collect this information has been submitted to the Office of Management and Budget for review under section 3504(h) of the Paperwork Reduction Act. A copy of the proposed survey may be obtained from: Office of the Chief, International Investment Division (BE–50), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230; phone (202) 523–0659. Comments from the public on this collection of information requirement should be addressed to: Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503, Attention: Desk Officer for the Department of Commerce.

Regulatory Flexibility Act

The provisions of the Regulatory Flexibility Act relating to preparation of an initial regulatory flexibility analysis are not applicable to this proposed rulemaking because it will not have a significant economic impact on a substantial number of small entities. Most small businesses will be excluded from reporting data on a mandatory basis as a result of the $250,000 cutoff level applicable to individual transactions under the survey's mandatory reporting provision. Also, under the survey's voluntary reporting provision, the $500,000 cutoff level applicable to total transactions of a given type will exclude many other small businesses from reporting any data. Those that do have reportable transactions are requested to provide judgmental estimates only of the total amount of transactions of a given type, not disaggregated by country. This voluntary reporting provision ensures that smaller businesses with significant international transactions can be covered but with the minimum burden possible. Even if a small business is required to file on a mandatory basis, or chooses to report information on a voluntary basis, it is unlikely to be very diversified and will probably report data only for one or two types of services. Thus, the burden on small businesses should be low.

Accordingly, the General Counsel, Department of Commerce, has certified to the Chief Counsel for Advocacy, Small Business Administration, under provisions of the Regulatory Flexibility Act (5 U.S.C. 605(b)) that this proposed rule will not have a significant economic impact on a substantial number of small entities.

List of Subjects in 15 CFR Part 801

Economic statistics, Foreign trade, Reporting and recordkeeping requirements, Services.

Dated: May 20, 1988.

Allan H. Young,

Director, Bureau of Economic Analysis.

For the reasons set forth in the preamble, BEA proposes to amend 15 CFR Part 801 as follows:

PART 801—[AMENDED]

1. The authority citation for 15 CFR Part 801 continues to read as follows:

Authority: 5 U.S.C. 301, 22 U.S.C. 3101–3108, and E.O. 11961, as amended.

2. Section 801.9(b) is amended by adding paragraph (6) to read as follows:

§ 801.9 [Amended]

* * * * *

(b) * * *

(6) BE–22, Annual Survey of Selected Services Transactions with Unaffiliated Foreign Persons:

(i) Who must report.

(A) Mandatory reporting—A BE–22 report is *required* from each U.S. person who had one or more individual sale or purchase transactions in excess of $250,000 with an unaffiliated foreign person in any of the covered services during the U.S. person's fiscal year. The determination of whether a U.S. person is subject to this mandatory reporting requirement may be judgmental, that is, based on the judgment of knowledgeable persons in a company who can identify reportable transactions on a recall basis, with a reasonable degree of certainty without conducting a detailed manual records search.

(B) Voluntary reporting—U.S. persons receiving a copy of the survey are requested to provide, for each of the covered services, estimates of sale or purchase transactions with an unaffiliated foreign person that are each $250,000 or less but for which the total value exceeds $500,000 during the U.S. person's fiscal year. Provision of this information is voluntary. The estimates may be judgmental, that is, based on recall, without conducting a detailed manual records search.

(C) Any U.S. person receiving a BE–22 survey form from BEA must complete the form and return it to BEA. A person that is not subject to the mandatory reporting requirement in (b)(6)(i)(A) of this section and/or is not filing information on a voluntary basis must complete the "Basis for not reporting data" and the "Certification." This requirement is necessary to ensure compliance with the reporting requirements and efficient administration of the survey by eliminating unnecessary followup contact.

(ii) Covered services. The services covered by this survey are the same as those covered by the BE–20, Benchmark Survey of Selected Services Transactions with Unaffiliated Foreign Persons—1986, as listed in § 801.10(d) of this Part.

(iii) BE–22 definition of transaction.

(A) "Transaction" means, for purposes of this survey, the total value, as entered on the respondent's books, of services sold or or purchased from an unaffiliated foreign person during the respondent's fiscal year.

(B) Notwithstanding paragraph (b)(6)(iii)(A) of this section, in the following cases, a "transaction" is to be measured by an item other than sales or purchases in determining whether the thresholds for mandatory or voluntary reporting are exceeded:

(*1*) *Advertising.* Advertising agencies should use gross billings to unaffiliated foreign persons, including funds passed through to media companies and not included in the agency's income statement.

(*2*) *Telecommunications.* For jointly provided (basic) services, use receipts from foreign persons for messages or leased lines originating abroad, and payouts to foreign persons for messages or leased lines originating in the United States.

(*3*) *Performing arts, sports, and other live performances, presentations, and events.* Fees are defined net of allowances for expenses.

(*4*) *Employment agencies and temporary help supply services.* Receipts and payments should include any funds for compensation of workers carried on the payroll of the agency or supply service, as well as agency fees.

[FR Doc. 88–13833 Filed 6–17–88; 8:45 am]
BILLING CODE 3510–06–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Social Security Administration

20 CFR Part 416

[Regulations No. 16]

Supplemental Security Income for the Aged, Blind, and Disabled; Resources Provisions

AGENCY: Social Security Administration, HHS.

ACTION: Proposed rule; withdrawal.

SUMMARY: We are withdrawing the proposed amendments to the regulations entitled "Resources Provisions."

On November 8, 1982, we published a Notice of Proposed Rulemaking (NPRM) in the **Federal Register** (47 FR 50511) which proposed to rewrite and reorganize in its entirety the rules on resources under the Supplemental Security Income (SSI) program. Since that time it became clear that certain provisions in the proposed regulations as well as additional resource changes, needed to be separately codified in order to assist in ongoing claims adjudication or to implement subsequent legislative changes or decisions to revise policy.

DATE: The withdrawal is effective June 20, 1988.

FOR FURTHER INFORMATION CONTACT: Henry D. Lerner, Legal Assistant, Office of Regulations, Social Security Administration, 6401 Security Boulevard, Baltimore, Maryland 21235, telephone (301) 594–7463.

SUPPLEMENTARY INFORMATION: On November 8, 1982, we published a Notice of Proposed Rulemaking (NPRM) in the **Federal Register** (47 FR 50511) which proposed to rewrite and reorganize in its entirety the rules on resources under the Supplemental Security Income (SSI) program. Since that time it became clear that certain provisions in the proposed regulations as well as additional resource changes, needed to be separately codified in order to assist in ongoing claims adjudication or to implement subsequent legislative changes or decisions to revise policy. Thus, after the close of the comment period, we proceeded to adopt final regulations on the discrete resource policies listed below.

(1) The rules increasing the statutory resource limits for individuals and couples were published on September 26, 1985 (50 FR 38981). This change was based on the amendment to section 1611(a) of the Social Security Act (the Act) made by section 2611 of Pub. L. 98–369, the Deficit Reduction Act of 1984, enacted after publication of the NPRM.

(2) The rules on the exclusion of property essential to self-support, the conditions under which an individual's property will be taken into consideration when income-producing activities are associated with the home, and the home as the principal place of residence were published on October 22, 1985 (50 FR 42683). (Interim regulations excluding automobiles from resources were published on July 24, 1979 (44 FR 43265). Those rules were also incorporated in the final self-support regulations because they may relate to property essential to self-support. The exclusion of a vehicle for use as transportation in unusual climate and terrain was moved from the rules concerning property essential to self-support to the section concerning automobiles. This change promoted consistency in the number of automobiles that may be excluded from resources.) These changes were proposed in the NPRM.

(3) The rules determining eligibility for SSI benefits on a monthly rather than on a quarterly basis were published on November 26, 1985 (50 FR 48571). This change was based on the amendment to section 1611(c) of the Act made by section 2341 of Pub. L. 97–35. These changes were proposed in the NPRM.

(4) The rules excluding title XVI and title II retroaction payments from resources for 6 months following the month of receipt were published on September 29, 1986 (51 FR 34462). This change was based on the amendment to section 1613(a) of the Act made by section 2614 of Pub. L. 98–369, enacted after publication of the NPRM.

(5) The rules distinguishing liquid resources from nonliquid resources, establishing when resources determinations are made and receipts from the sale, exchange, or replacement of a resource were published on February 11, 1987 (52 FR 4282). These changes were proposed in the NPRM.

(6) The rules eliminating deeming of parents' income and resources to students age 18 to 21 were published on March 20, 1987 (52 FR 8877). This change was based on the amendment to section 1614(f)(2) of the Act made by section 203 of Pub. L. 96–265. These changes were proposed in the NPRM.

(7) The rules excluding pension funds from resources for deeming purposes were published on August 12, 1987 (52 FR 29840). That final rule also made explicit that under the SSI grandfathering rules, as "SSI benefit" means only the Federal benefit and does not include any State supplementation. These changes were proposed in the NPRM.

(8) The rules on resource limits for conditional SSI payments were published on August 24, 1987 (52 FR 31757). That final rule also eliminates an assumption that property has no value at all if its owner has been unable to sell it during the period allowed for disposition. These changes were not proposed in the November 8, 1982, NPRM.

Our purposes in issuing the 1982 NPRM were to make the rules clearer or more easily understood, to update the rules to include existing policies, and to reflect statutory provisions (recently enacted at that time) relating to (1) eligibility based on an individual's resources in a month rather than in a calendar quarter, and (2) deeming of resources from parents to children. Since the substantive policies described in the preceding paragraphs have already been published as final rules, we have decided that the remaining rules do not need to be republished. This is because the other rules that were proposed merely restated in simpler language the rules in current regulations. For these reasons, we stated in the preamble to the final regulations regarding pension funds published on August 12, 1987, that after publication, we would formally withdraw all remaining portions of the NPRM.

Accordingly, all remaining portions of the NPRM published in the **Federal Register** at 47 FR 50511 on November 8, 1982 entitled "Resources Provisions" are hereby withdrawn.

Dated: March 15, 1988.

Dorcas R. Hardy,

Commissioner of Social Security.

Approved: April 21, 1988.

Otis R. Bowen,

Secretary of Health and Human Services.

[FR Doc. 88–13807 Filed 6–17–88; 8:45 am]

BILLING CODE 4190–11–M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 81

[FRL–3400–4; EPA Docket No. 107PA–48]

Designation of Areas for Air Quality Planning Purposes; Pennsylvania

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: EPA is proposing to approve a request from the Commonwealth of Pennsylvania to revise the attainment status designation of Berks County from "Does Not Meet Primary Standards" to "Better Than National Standards" with respect to ozone. The intent of this notice is to discuss the results of EPA's review of the Commonwealth's redesignation request and to solicit public comments on EPA's proposed action.

DATE: Comments must be received on or before July 20, 1988.

ADDRESSES: Copies of the proposed redesignation request and accompanying support material are available for public inspection during normal business hours at the following locations:

U.S. Environmental Protection Agency, Region III, Air Management Division, 841 Chestnut Building, Philadelphia, PA 19107, ATTN: Dave Arnold

Commonwealth of Pennsylvania, Department of Environmental Resources, Bureau of Air Quality Control, 200 North 3rd Street, Harrisburg, PA 17120, ATTN: Gary Triplett

All comments on the proposed revision submitted within 30 days of publication of this notice will be considered and should be directed to Dave Arnold, Chief of the Program Planning Section at the EPA, Region III, 841 Chestnut Building, Philadelphia, Pennsylvania 19107, EPA Docket No. 107PA–48.

FOR FURTHER INFORMATION CONTACT: Larry Budney (3AM13) at the EPA, Region III address above or call (215) 597–0545.

SUPPLEMENTARY INFORMATION: Under section 107(d) of the Clean Air Act, the Administrator of EPA has promulgated the National Ambient Air Quality Standards (NAAQS) attainment status for all areas within each State (See 43 FR 8962 (March 3, 1978)). These area designations are subject to revision whenever sufficient data become available to warrant a redesignation.

On April 16, 1987, the Pennsylvania Department of Environmental Resources (DER) submitted a request to EPA to have Berks County redesignated from "Does Not Meet Primary Standards" to "Better Than National Standards" with respect to ozone. With a May 19, 1987, acknowledgement of receipt of the request, EPA requested that DER provide additional documentation in support of the redesignation request, including information pertinent to control strategy implementation. DER submitted the supplemental information on December 4, 1987.

When considering a redesignation request for ozone, a number or criteria must be considered. The most important is the National Ambient Air Quality Standard (NAAQS) for ozone, which is specified in 40 CFR Part 50. The NAAQS for ozone is defined to be violated when the annual average expected number of daily exceedances of the standard (0.12 parts per million, 1 hour average) is greater than 1.0. A daily exceedance occurs when the maximum hourly ozone concentration during a given day exceeds 0.124 ppm ("Guidelines for the Interpretation of Ozone Air Quality Standards," EPA–450/4–79–003). The expected number of daily exceedances is calculated from the observed number of exceedances by making the assumption that non-monitored days (invalid or incomplete) have the same fraction of daily exceedances as those observed on monitored days (EPA–450/4–79–003).

Specific criteria for ozone redesignation reviews are given in an April 21, 1983 policy memorandum from Sheldon Meyers, former Director of EPA's Office of Air Quality Planning and Standards (OAQPS), and an April 6, 1987 policy memorandum from Gerald A. Emison, Director of OAQPS. Those memoranda indicate that the average number of expected exceedances for each monitoring site is to be based on ozone concentrations contained in the most recent three years of data, if three years of data are available. They also specify the requirement that observed

improvements in air quality must be due to implementation of permanent and enforceable emission control measures, and that the EPA-approved control strategy be fully implemented.

Ambient ozone monitoring data from Berks County indicate one exceedance of the ozone NAAQS at each of the two monitors in that county during the 1985 through 1987 monitoring seasons. Therefore, the annual average expected number of daily exceedances equals 0.33 during that three-year period. Meteorological and economic conditions during that period were reasonably typical. Therefore, ozone concentrations during that period are believed to be representative of ozone air quality that can be expected in that area, and the data demonstrate monitored attainment of the ozone NAAQS. EPA examined the air quality data and found that they were collected in accordance with all EPA requirements.

Over the longer term since (1980), air quality in Berks County has improved substantially. During that period, the highest ozone concentrations and greatest number of ozone NAAQS exceedances were observed during 1980. Through 1983, several NAAQS exceedances occurred each year, but the magnitude of maximum observed concentrations gradually decreased from year to year. Since 1983, there has only been one observed exceedance of the ozone NAAQS at each monitor.

In any proposed redesignation to attainment, it is necessary to be able to demonstrate that the observed improvement in air quality is due to permanent VOC (volatile organic compound) emission reduction measures rather than temporary factors such as changing economic conditions. In the case of Berks County, significant permanent emission reduction measures were implemented at several major point sources since 1980. A review of source emission data indicates that emission reductions are not temporary in nature and, therefore, temporary economic downturn is not responsible for the improvement in air quality. The total improvement in air quality during the 1980–1987 time period is attributed to implementation of area-wide Group I and II RACT (Reasonably Available Control Technology) controls and year-to-year mobile source emission reductions obtained through the Federal Motor Vehicle Control Program. Those regulations will remain in effect after the redesignation.

In addition to the above, EPA policy provides that redesignation of an area to attainment status for ozone requires that the current EPA fully approved control strategy for VOC sources be implemented. To judge whether this criterion has been satisified, EPA looks to the Commonwealth to review source inspection and compliance records on file to confirm that all affected sources in the area under consideration have either installed and are operating RACT controls or are on an enforceable compliance schedule. The Commonwealth in conjunction with EPA conducted this review and found that all major sources of VOC in the area are in compliance with applicable RACT control requirements. One source in question had emitted more than the 50 tons per year RACT applicability provision, but had not installed control equipment. That violation derived from the Commonwealth's regulation for surface coating, which is applicable to sources that have a potential to emit VOC emissions greater than 50 tons per year. In 1987 the source in question emitted 52 tons per year. However, under the terms of a Delayed Compliance Order (DCO), during 1987 the source installed a painting system that facilitates the use of low solvent coatings. Emissions from the source have subsequently been at an annual rate of less than 50 tons per year. The Commonwealth is closely monitoring the compliance status of the source. Given the actions to date on the part of the Commonwealth, EPA has determined that the Commonwealth is actively implementing the control strategy requirements.

Proposed Action

EPA finds that the proposed redesignation of Berks County, Pennsylvania for ozone is approvable, and therefore proposes to redesignate that county to "Better Than National Standards." The proposed redesignation is based upon three years (1985–1987) of air quality data, which show only one exceedance of the ozone NAAQS at each of the two monitors in that county, combined with the fact that the approved emission control strategy has been fully implemented.

Interested parties are invited to submit comments on this action. EPA will consider comments received within 30 days of publication of this notice.

Under 5 U.S.C. section 605(b), the Administrator has certified that redesignations do not have a significant economic impact on a substantial number of small entities (See 46 FR 8709).

The Office of Management and Budget has exempted this rule from the requirements of section 3 of Executive Order 12291.

List of Subjects in 40 CFR Part 81

Air pollution control, National parks, Wilderness areas.

Authority: 42 U.S.C. 7401–7642

Date: March 9, 1988.

Stanley L. Laskowski,

Acting Regional Administrator.

[FR Doc. 88–13813 Filed 6–17–88; 8:45 am]

BILLING CODE 6560–50–M

40 CFR PART 372

[OPTS-400013; FRL-3400-1]

Melamine; Toxic Chemical Release Reporting; Community Right-To-Know

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: EPA is granting a petition by proposing to delete the substance melamine from the list of toxic chemicals under section 313 of Title III of the Superfund Amendments and Reauthorization Act of 1986 (SARA). EPA proposes to amend 40 CFR Part 372. Section 313(e) allows any person to petition the Agency to modify the list of toxic chemicals for which toxic chemical release reporting is required.

DATES: Written comments should be submitted on or before August 19, 1988.

ADDRESSES: Written comments should be submitted in triplicate to: OTS Docket Clerk, TSCA Public Docket Office, Environmental Protection Agency, Mail Stop TS–793, Rm. NE–G004 401 M St., SW., Washington, DC 20460, Attention: Docket Control Number OPTS–400013.

FOR FURTHER INFORMATION CONTACT: Renee Rico, Petition Coordinator, Emergency Planning and Community Right-to-Know Information Hotline, Environmental Protection Agency, 401 M St., SW., Mail Stop WH–562A, Washington, DC 20460, (800) 535–0202, In Washington, DC and Alaska, (202) 479–2449.

SUPPLEMENTARY INFORMATION:

I. Introduction

A. Statutory Authority

The response to the petition and proposed deletion are issued under section 313 (d) and (e)(1) of Title III of the Superfund Amendments and Reauthorization Act of 1986 (Pub. L. 99–499, "SARA" or "the Act"). Title III of SARA is also referred to as the Emergency Planning and Community Right-to-Know Act of 1986.

B. Background

Title III of SARA is intended to encourage and support emergency planning efforts at the State and local level and to provide the public and local governments with information concerning potential chemical hazards present in their communities.

Section 313 of Title III requires owners and operators of certain facilities that manufacture, process, or otherwise use a listed toxic chemical to report annually their releases of such chemicals to the environment. Only facilities that have manufacturing operations (in Standard Industrial Classification Codes 20 through 39) and have 10 or more employees must report. Such reports are to be sent to both EPA and the State in which the facility is located. The basic purpose of this provision is to make available to the public information about total annual releases of toxic chemicals from industrial facilities in their community. In particular, EPA is required to develop a computer data base containing this toxic chemical release information and to make it accessible by telecommunications on a cost reimbursable basis.

For reporting purposes, section 313 establishes an initial list of "toxic chemicals" that is composed of 328 entries, 20 of which are categories of chemicals. The initial list is a combination of lists of chemicals used by the States of Maryland and New Jersey for emissions reporting under their individual right-to-know laws. Section 313(d) authorizes EPA to modify by rulemaking the list of chemicals covered either as a result of EPA's self-initiated review or in response to petitions under section 313(e).

Section 313(e)(1) provides that any person may petition the Agency to add chemicals to or delete chemicals from the list of "toxic chemicals." EPA issued a statement of policy and guidance in the **Federal Register** of February 4, 1987 (52 FR 3479). This statement provided guidance to potential petitioners regarding the recommended content and format for submitting petitions. The Agency must respond to petitions within 180 days either by initiating a rulemaking or by publishing an explanation of why the petition is denied. If EPA fails to respond within 180 days, it is subject to citizen suits. In the event of a petition from a State governor to add a chemical under section 313(e)(2), if EPA fails to act within 180 days, EPA must issue a final rule adding the chemical to the list. Therefore, EPA is under specific constraints to evaluate petitions and to issue a timely response.

State governors may petition the Agency to add chemicals on the basis of any one of the three toxicity criteria listed in section 313(d) (acute human health effects, chronic human health effects, or environmental toxicity). Other persons may petition to add chemicals only on the basis of acute or chronic human health effects. EPA may delete substances only if the substances fail to meet any of the criteria contained in section 313(d).

Chemicals are evaluated for inclusion on the list based on the criteria in section 313(d) and using generally accepted scientific principles or the results of properly conducted laboratory tests, or appropriately designed and conducted epidemiological or other population studies, that are available to EPA.

II. Description of Petition

The Agency received a section 313(e) petition to delete melamine, CAS No. 108–78–1, from the list of toxic chemicals. The petition, from Melamine Chemicals, Inc. was received on October 7, 1987, and at the request of the submitter, the statutory timeframe for response was suspended for 69 days. The present statutory deadline for EPA's response is June 10, 1988. Melamine Chemicals, Inc. and American Cyanamid Company submitted extensive documentation to support their claim that melamine fails to meet any of the statutory criteria in section 313(d).

III. EPA's Review of Melamine

A. Chemistry

Melamine, the true chemical name for which is 2,4,6-triamino-1,3,5-triazine, is a white crystalline solid. The physical and chemical properties were obtained and validated from literature sources.

Melamine is produced commerically by the reaction of urea in the presence of high heat and pressure to give melamine in greater than 90 percent yield. Other manufacturing processes are known but not currently in use (Ref. 1).

B. Production and Use

Melamine is currently manufactured in the United States by two firms, the petitioner, Melamine Chemicals, Inc. (MCI), and American Cyanamid Company. Each firm manufactures roughly the same amount of melamine. Current manufacture of melamine is about 125 million lbs/yr, and importation of melamine totals 18 million lbs/yr.

Nearly all of the melamine consumed in the U.S. is used to produce melamine resins and plastics. Most commonly, melamine is combined with formaldehyde to produce melamine-formaldehyde resins and to a lesser extent, with urea and formaldehyde to form melamine-urea-formaldehyde resins. The total demand for melamine then, is derived primarily from the demand for melamine resin products. However, one other potentially significant use of melamine is as a flame retardant. Melamine may be imbedded into polymers used in foams, for example, foam mattresses.

Another use of melamine is as a slow release nitrogen fertilizer. Serving as a source of nitrogen, melamine degrades over a period of 60 days while nitrogen is released over a 2-year period. The slow mineralization process limits the application of this fertilizer. Nonetheless, MCI currently markets melamine in this use in small quantities under the trade name Super 60 (Ref. 2).

C. Health and Environmental Effects

EPA's health and environmental review included an assessment of metabolism/absorption, acute toxicity, carcinogenicity, mutagenicity, chronic toxicity, developmental toxicity, and environmental toxicity. The petition review focused on EPA's concern for carcinogenicity and environmental toxicity. Other health effects were of low concern. All readily available data on the health and environmental effects of melamine, including the submitted petition, Agency documents, and studies obtained from the literature were reviewed.

1. *Oncogenicity.* A primary health concern identified for melamine is carcinogenicity. Based on a weight-of-evidence determination there is not sufficient evidence to establish that melamine causes, or can reasonably be anticipated to cause cancer in humans.

In a 1983 National Toxicology Program (NTP) bioassay on melamine, male and female rats and mice were fed diets containing 2,250 or 4,500 ppm melamine. A statistically significant increase in transitional-cell carcinomas in the urinary bladder of the male rat was observed in the high dose group. No statistically significant increases in tumor incidence was observed in female rats or mice of either sex (Ref. 3).

A statistically significant association between the presence of bladder stones containing melamine and the presence of tumors in the male rats was observed. Female rats and male and female mice exhibited stones but not tumors. MCI states that "although the mechanism for melamine-related bladder cancer remains obscure, data suggest that the

transitional-cell bladder carcinoma may be secondary to the chronic physical injury induced by bladder stones." While several evaluators, including the Food and Drug Administration (FDA) Cancer Assessment Committee (1983) and EPA under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) (1985), have suggested that bladder tumors may result from mechanical irritation produced by bladder stones, the NTP report on melamine states that a positive association between bladder stones and bladder tumors does not prove that a causal relationship exists. The International Agency for Research on Cancer (IARC) has evaluated the NTP bioassay and has concluded that there is inadequate evidence for the carcinogenicity of melamine to experimental animals (Ref. 4).

Whether or not the bladder tumors are physically or chemically induced, EPA has concluded, using a weight-of-evidence determination, that there is not sufficient evidence to conclude that melamine causes cancer in animals or humans. Factors that were considered in reaching this conclusion are: (1) Melamine produced an increased incidence of bladder tumors in male rats at the high dose level only and no increases in tumor incidence in female rats or male and female mice, (2) melamine did not produce skin tumors in mice in an initiation promotion test, and (3) melamine has not been shown to be genotoxic (Ref. 4).

2. *Metabolism.* Metabolism studies (1983 and 1986) in rats demonstrate that melamine is absorbed rapidly and distributed in the body tissue water. Melamine is rapidly eliminated unchanged in the urine (Ref. 4).

3. *Acute toxicity.* Melamine can be classified as slightly to moderately acutely toxic based on the LD_{50} values tabulated below. These values are of low concern.

LD_{50} (male rats) = 3,161 mg/kg
LD_{50} (female rats) = 3,828 mg/kg
LD_{50} (male mice) = 3,296 mg/kg
LD_{50} (female mice) = 7,014 mg/kg

Melamine caused little or no irritation when dermally applied to guinea pigs. Humans showed no evidence of primary irritation or sensitization in patch testing. Mild transient ocular irritation was observed when melamine was instilled into the eyes of rabbits (Ref. 4).

4. *Systemic toxicity.* In chronic and sub-chronic testing, melamine was found to exhibit no serious effects. In 90-day oral testing of rats, bladder stones were formed at very high doses in both males and females. Similar effects were observed in mice as well as multifocal ulceration of the urinary bladder epithelium at high doses (Ref. 4).

5. *Developmental toxicity.* The only available study on melamine is considered inadequate to support the claim that the chemical is not a developmental toxicant due to several deficiences in study design (Ref. 4). Thus, there is insufficient evidence to determine that melamine causes or can reasonably be anticipated to cause developmental toxicity.

6. *Mutogenicity.* Melamine is not mutagenic in the Salmonella assay (1983) for gene mutations. Although there is insufficient information available to draw conclusions about melamine's activity in other assays, repeated negative findings in a series of other short-term assays support each other and would suggest that the chemical is probably not a genotoxic agent. There are no data available for melamine on heritable gene mutations in animals (Ref. 4). Evidence is insufficient to support a mutagenicity concern.

7. *Environmental toxicity.* The Agency has low concern for environmental toxicity of melamine. In one study (Vailati, 1979), melamine was found to exhibit chronic toxicity (adverse developmental effects) to rainbow trout only at a high concentration of 2,000 ppm. American Cyanamid Company submitted a study (1984) which shows that melamine has low acute toxicity to minnow fry and rainbow trout fry at levels greater than 3,000 ppm (LC_{50} = 3,000 ppm) (Ref. 4).

American Cyanamid Company also submitted aquatic toxicity test results which were completed during EPA's petition review. These data are indicative of melamine's low aquatic toxicity. The 48-hour EC_{50} for Daphnids is 200 mg/L and the EC_{50} for green algae is 75 mg/L (Ref. 5).

D. Exposure and Release

Exposure and release data were calculated for the manufacture and processing of melamine. There are no users as defined in section 313 since almost all melamine is in a resin form after processing; therefore, no exposure and release data for users have been estimated. Although the health assessment yielded no human health concerns, EPA's petition review did investigate human exposure scenarios to all environmental media and anticipates only low exposures of melamine from releases to air, land, and water.

1. *Manufacturing.* Estimates of the environmental releases from manufacturing to air, land, and water are based on information received from MCI. Information was not obtained from American Cyanamid Company so the estimations were extrapolated from the MCI data. Both manufacturers use the same process for the manufacture of melamine. Both manufacturing plants are located in Louisiana on the Mississippi River about 60 miles apart.

Releases of melamine to water from manufacturing operations can result from clean-ups, scrubbers, and strippers. Releases to water from the MCI plant were obtained from site-specific monitoring of plant effluent. The effluent is directly discharged to the Mississippi River without any removal treatment.

The mean release of melamine to water is about 500 lbs/site/day at MCI and results in surface water concentrations of 0.2 to 0.9 ppb. The maximum amount of melamine release that has been monitored is 3,233 lbs/site/day resulting in surface water concentrations of 1.3 to 6.0 ppb. MCI is permitted for, and monitors for total organic nitrogen released and then extrapolates this to the amount of melamine. There is the potential that the concentration and exposures downstream of the lower manufacturing facility may be equal to the combined releases from both sources, doubling the above values. The doubling of these values, however, does not raise any concerns (Refs. 6 and 7).

2. *Processing.* There may be as many as 160 small site processors of melamine each with a maximum consumption of less than 500,000 lbs/yr. There are also an estimated 40 larger processors of melamine each of which may consume up to 2 to 5 million lbs/yr. The American Cyanamid plant in Wallingford, CT, the largest processor, consumes roughly 28 million lbs/year. All sites are assumed to be processing melamine 330 days/yr. Typical environmental releases were obtained from American Cyanamid's Wallingford plant where releases are estimated to be 0.2 percent of melamine consumption. There are no available release data from other processing facilities; however, it is conservatively estimated, using Agency estimation methods, that typical releases to water are approximately 0.5 percent of melamine consumption for these processing sites.

The greatest potential release is anticipated to occur at the larger processing facilities. Typical releases are expected to be 30 to 75 lbs/site/day. The resulting surface water concentration from this release is calculated to be as high as 1,816 to 4,539 ppb. In light of the recent aquatic test data submitted by American Cyanamid Company, the exposure of aquatic life to this surface water concentration of

melamine is of low concern (Refs. 6 and 7).

E. Summary of the Technical Review

Using a weight-of-evidence determination, there is insufficient information to establish that melamine causes, or can reasonably be anticipated to cause cancer, other chronic health effects, adverse acute effects in humans or a significant adverse effect on the environment. This conclusion is independent of whether the tumors observed in the male rat are directly or indirectly caused by melamine.

Agency concerns for environmental toxicity to Daphnids and algae have been allayed in light of available information including recent test results which show that these specie have low acute toxicity to melamine.

IV. Explanation for Proposed Action to Delete

A. General Policy

When evaluating section 313(e) petitions, the Agency has a clear obligation to show how the granting or denial of the petition fulfills the statutory criteria the Agency is to use in section 313(d) when modifying the list of toxic chemicals. In addition, however, in the Joint Conference Committee Report, the conferees express support for the view that EPA may conduct risk assessments or site-specific analyses in making listing determinations under section 313(d). In cases of petitions to delist substances, EPA believes that such analyses are important factors in determining whether removal of a substance from the list would serve the public's right to know. These analyses might show that while the toxicity of the substance is not of high concern, exposures to humans and the environment are significant enough to warrant maintaining the substance on the list.

B. Reasons for Proposing Deletion

EPA is granting the petition submitted by MCI by proposing to delete melamine from the list of toxic chemicals subject to release reporting under 40 CFR Part 372. The decision to grant the petition and to propose rulemaking to modify the list is based on the toxicity evaluation. The Agency believes that there is insufficient evidence to establish that melamine may cause or can reasonably be anticipated to cause adverse affects to human health or the environment.

Publication of this proposed rule does not effect reporting requirements for the 1987 reporting year.

V. Rulemaking Record

The record supporting this proposed rule is contained in docket control number OPTS–400013. All documents, including an index of the docket, are available to the public in the TSCA Public Docket Office from 8 a.m. to 4 p.m., Monday through Friday, excluding legal holidays. The TSCA Public Docket Office is located at EPA Headquarters, Rm. NE–G004, 401 M St., SW., Washington, DC 20460.

VI. Request for Public Comment

The Agency requests comments on all the analyses conducted for this review and on the Agency's proposal to delete melamine from the list of toxic chemicals. EPA also requests that any pertinent data on melamine be submitted to the address at the front of this document. All comments should be submitted on or before August 19, 1988.

VII. References

(1) Aleem, M. Summary Report of Physical and Chemical Properties of Melamine. USEPA. 1987.

(2) Coe, E. Economic Report on Production, Use, and Cost Analysis of Melamine. USEPA. 1988.

(3) National Toxicology Program. Carcinogenesis Bioassay of Melamine in F344/N Rats and B6C3F$_1$ Mice. USDHHS. 1983.

(4) Fenner-Crisp, P. Health and Environmental Review Division Position Paper; Hazard Assessment of Melamine. USEPA. 1988.

(5) Friedman, M. Communication of unpublished test results. American Cyanamid Company. 1988.

(6) Flessner, C. SARA Title III, Section 313 Petition to Delist Melamine; Exposure Information. USEPA. 1988.

(7) Swarup, R. Environmental Releases of Melamine During Manufacture, Processing, and Use. USEPA. 1987.

VIII. Regulatory Assessment Requirements

A. Executive Order 12291

Under Executive Order 12291, EPA must judge whether a rule is "major" and therefore, requires a Regulatory Impact Analysis. EPA has determined that this proposed rule is not a "major rule" because it will not have an effect on the economy of $100 million or more.

This proposed rule would decrease the impact of the section 313 reporting requirements on covered facilities and would result in cost-savings to industry, EPA, and States. Therefore, this is a minor rule under Executive Order 12291.

This proposed rule was submitted to the Office of Management and Budget (OMB) under Executive Order 12291.

There are two producers of melamine. EPA estimates the number of processors that might be subject to reporting requirements to be about two hundred facilities. The estimated cost savings for industry over a 10-year period range from $1.3 million to $1.5 million, while the savings for EPA are estimated to be $26,000 (10-year present values using a 10 percent discount rate) (Ref. 2).

B. Regulatory Flexibility Act

Under the Regulatory Flexibility Act of 1980, the Agency must conduct a small business analysis to determine whether a substantial number of small entities will be significantly affected. Because the proposed rule results in cost savings to facilities, the Agency certifies that small entities will not be significantly affected by the rule.

C. Paperwork Reduction Act

This proposed rule does not have any information collection requirements under the provisions of the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seg. Submit comments on these requirements to OMB, Office of Information and Regulatory Affairs; 726 Jackson Place, NW., Washington, DC 20503, marked "Attention: Desk Officer for EPA."

List of Subjects in 40 CFR Part 372

Community right-to-know, Environmental protection, Reporting and recordkeeping requirements, Toxic chemicals.

Dated: June 9, 1988.

John A. Moore,

Office of Pesticides and Toxic Substances.

Therefore, it is proposed that Part 372 of Chapter I of 40 CFR be amended as follows:

1. The authority citation for Part 372 would continue to read as follows:

Authority: 42 U.S.C. 11013 and 11028.

§ 372.65 [Amended]

2. Section 372.65 (a) and (b) are amended by removing the entire entry for melamine under paragraph (a) and removing the entire CAS. No. entry for 108–78–1 under paragraph (b).

[FR Doc. 88–13815 Filed 6–17–88; 8:45 am]

BILLING CODE 6560–50–M

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Parts 1 and 94

[PR Docket No. 88-191; FCC 88-153]

Private Operational Fixed Microwave Service; Digital Termination Systems; Point-to-Multipoint Service

AGENCY: Federal Communications Commission.

ACTION: Notice of Proposed Rulemaking.

SUMMARY: The Commission has adopted a Notice of Proposed Rulemaking to reexamine some of its technical and procedural rules primarily governing point-to-multipoint operations by private radio licensees in the 2.5, 10.6 and 18 GHz bands. The *Notice* also proposes to amend Part 1 of the Rules concerning general procedures for filing applications in the Private Operational Fixed Microwave Service.

DATES: Comments due July 18, 1988; replies August 2, 1988.

FOR FURTHER INFORMATION CONTACT: Herb Zeiler or Gay Ludington, Rules Branch, Land Mobile and Microwave Division, Private Radio Bureau, (202) 634-2443.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rulemaking, PR Docket 88-191, adopted April 21, 1988, and released June 6, 1988. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC 20554. The complete text of this decision may also be purchased from the Commission's copy contractor, International Transcription Service, (202) 857-3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

Summary of Notice of Proposed Rulemaking

1. This *Notice of Proposed Rulemaking* proposes to amend some of the Commission's technical and procedural rules primarily governing point-to-multipoint operations by private radio licensees in the 2.5, 10.6 and 18 GHz bands, and to amend Part 1 of the Rules concerning general procedures for filing applications in the Rules concerning general procedures for filing applications in the Private Operational-Fixed Microwave Service.

2. The Rules governing point-to-multipoint operations in these bands require fine tuning now that we have gained some experience with OFS operations there. In the *Notice*, the Commission proposes changes in technical operating standards, including co-channel interference criteria, emission standards, frequency tolerance requirements, uses of response channels and the number of channels permitted per licensee per location. Further, the Commission proposes to eliminate the distinction between limited Digital Termination Service (DTS) systems (serving fewer than 30 cities) and extended DTS systems (serving 30 or more cities). It is felt that DTS users should be able to configure their networks to accommodate their needs without this regulatory constraint. The *Notice* also contains proposals to reduce the time frame permitted for DTS station construction to 30 months and eliminate the requirement that DTS licensees file progress reports. In addition to these proposals the *Notice* proposes to allow video transmissions on 18 GHz point-to-multipoint frequencies.

3. Finally, the *Notice* contains a proposal to reduce the thirty day filing period now used for purposes of determining the mutual exclusivity of all Part 94 applications to one day. Presently the Commission treats acceptable applications filed within thirty days of each other as mutually exclusive where there is the possibility of electromagnetic interference. Such a reduction would expedite the processing of Part 94 applications and would discourage potential licensees from filing speculative applications.

Initial Regulatory Flexibility Analysis

4. Pursuant to the Regulatory Flexibility Act of 1980; 5 U.S.C. 605, as initial regulatory flexibility analysis has been prepared. It is available for public viewing as part of the full text of this decision, which may be obtained from the Commission or its copy contractor.

Paperwork Reduction

5. The proposals contained herein have been analyzed with respect to the Paperwork Reduction Act of 1980 and found to contain no new or modified form, information collection and/or recordkeeping labeling, disclosure or record retention requirements, and will not increase burden hours imposed on the public. Rather, if adopted as proposed the licensing burden on the public could be reduced.

Ordering Clauses

6. This is a non-restricted notice and comment rulemaking proceeding. *See* § 1.1231 of the Commission's Rules, 47 CFR 1.1231, for rules governing permissible *ex parte* contacts.

7. Authority for issuance of this *Notice of Proposed Rulemaking* is contained in sections 4(i) and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. 154(i) and 303(r). Interested persons may file comments on or before July 18, 1988, and reply comments on or before August 2, 1988. All relevant and timely coments will be considered by the Comission before final action taken in this proceeding. In reaching its decision, the Commission may take into consideration information and ideas not contained in the comments, provided that the fact of the Commission's reliance on such information is noted in the report and order.

8. In accordance with the provisions of § 1.419 ofthe Commission's Rules, 47 CFR 1.419, formal participants shall file an original and five copies of their comments and other materials. Participants wishing each Commissioner to have a personal copy of their comments should file an original and 11 copies. Members of the general public who wish to express their interest by participating informally may do so by submitting one copy. All comments are given the same consideration, regardless of the number of copies submitted. All documents will be available for public inspection during regular business hours in the Commission's Public Reference Room at its headquarters at 1919 M Street, NW., Washington, DC.

List of Subject in 47 CFR Parts 1, 94

Radio, Private operational-fixed microwave service, digital termination systems, Point-to-multipoint service.

Parts 1 and 94 of the Commission's rules are proposed to be amended as follows:

PART 1—PRACTICE AND PROCEDURE

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

Authority: Secs. 4, 303, 48 Stat. 1066, 1082 as amended; 47 U.S.C. 154, 303; implemented by 5 U.S.C. 552, unless otherwise noted.

2. Section 1.227 is amended by revising paragraph (b)(4) to read as follows:

§ 1.227 Consolidations.

* * * * *

(b) * * *

(4) This paragraph applies when mutually exclusive applications subject to section 309(b) of the Communications Act are filed in the Private Radio Services or when there are more such applications for initial licenses than can be accommodated on available frequencies. In such cases, the applications either will be consolidated for hearing or designated for random selection (See § 1.972). An application which is substantially amended, (as

defined by § 1.962(c)), will, for the purpose of this section, be considered to be a newly filed application as of the receipt date of the amendment. Except for applications filed under Part 94, Private Operational Fixed Microwave Service, mutual exclusivity will occur if the later application or applications are received by the Commission's offices in Gettysburg, PA (or Pittsburgh, PA for applications requiring the fees set forth at Part 1, Subpart G of the rules) in a condition acceptable for filing within 30 days after the release date of public notice listing the first prior filed application (with which subsequent applications are in conflict) as having been accepted for filing or within such other period as specified by the Commission. For applications in the Private Operational Fixed Microwave Service, mutual exclusivity will occur if two or more acceptable applications that are in conflict are filed on the same day.

PART 94—PRIVATE OPERATIONAL—FIXED MICROWAVE SERVICE

1. The authority citation for Part 94 continues to read as follows:

Authority: Secs. 4, 303, 48 Stat., as amended, 1066, 1082; 47 U.S.C. 154, 303, unless otherwise noted.

2. The table of contents in Part 94 is amended by removing Subpart F.

3. Section 94.3 is amended by removing the definitions for "Extended Network" and "Limited Network", revising the definition for "Internodal Link", and adding a definition for "Nodal Station".

§ 94.3 Definitions.

* * * * *

Internodal Link. A point-to-point communications link used to provide communications between Nodal Stations or to interconnect Nodal Stations to other communications media.

* * * * *

Nodal Station. The central or controling station in a radio system operating on point-to-multipoint frequencies in the 2.5, 10.6, and 18 GHz bands.

* * * * *

4. Section 94.15 is amended by revising paragraph (i) to read as follows:

§ 94.15 Policy governing the assignment of frequencies.

* * * * *

(i) Licensees and applicants for Digital Termination Systems are not subject to the provisions of paragraphs (a) through (h) of this section.

* * * * *

5. Section 94.25 is amended by removing the word "[Reserved]" in paragraph (e) and adding the following text:

§ 94.25 Filing of applications.

* * * * *

(e) Application for point-to-multipoint frequencies in the 10.6 GHz and 18 GHz bands:

(1) A separate application form must be filed for each Nodal Station. Each Nodal Station application must specify the service area that will be served by the station in terms of a distance radius or other geographical specification, and, if applicable, the Standard Metropolitan Statistical Area (SMSA) being served.

(2) If proposing a Digital Termination System, all applicants must submit as part of the original application a detailed plan indicating how the bandwidth requested will be utilized. In particular the application must contain detailed discriptions of the modulation method, the channel time sharing method, any error detecting and/or correcting codes, any spatial frequency reuse system and the total data throughput capacity in each of the links in the system. Further, the application must include a separate analysis of the spectral efficiency including both information bits per unit bandwidth and the total bits per unit bandwidth.

* * * * *

6. Section 94.51 is amended by revising paragraphs (a) and (b) and adding a new paragraph (c). As revised, § 94.51 reads as follows:

§ 94.51 Time in which station must be in operation.

(a) Except as provided in paragraphs (b) and (c) of this section, a station authorized under this Part must be in operation within 12 months from the date of grant or the authorization cancels automatically and must be returned to the Commission. Requests for extension may be granted upon a showing of good cause, setting forth in detail the applicant's reasons for failure to have the facility operating in the prescribed 12-month period. Such requests must be submitted no later than 30 days prior to the end of the 12-month period to the Commission's offices in Gettysburg, Pennsylvania and shall be addressed to: Federal Communications Commission, Gettysburg, Pennsylvania 17325.

(b) Stations licensed on point-to-multipoint frequencies in the 10.6 GHz and 18 GHz bands must be completely constructed and fully operational in accordance with their most recent application within 30 months of grant, or the authorizations for stations not meeting the above cancel automatically and must be returned to the Commission.

(c) Stations authorized under § 94.93 must be in operation within 36 months from the date of grant or the authorization cancels automatically and must be returned to the Commission.

7. In section 94.61(b) the table is amended by revising footnote 24 adding footnote 30 to the band 18,820–18,920 and revising footnote 30 to read as follows:

§ 94.61 Applicability.

* * * * *

(b) * * *

[24] Frequencies in this band are shared with the Common Carrier services for Digital Termination System. The available frequencies are indicated in § 94.65.

* * * * *

[30] Frequencies in this band are available for point-to multipoint transmissions, including video.

8. Section 94.63 is amended by revising paragraphs (a) and (b), and adding new paragraph (d) (6) and (7) to read as follows:

§ 94.63 Interference protection criteria for operational fixed stations.

(a) Before filing an application for new or modified facilities under this part, the applicant must perform a frequency engineering analysis to assure that the proposed facilities will not cause interference to existing or previously applied-for stations in this service of a magnitude greater than that specified in the criteria set forth in paragraph (b) of this section, unless otherwise agreed to in accordance with § 94.15(b). As an exception to the above requirement, when the proposed facilities are to be operated in the bands 6,425–6,525 MHz, 10,550–10,680 MHz, 17,700–19,700 MHz, 21,200–21,800 MHz, 22–400–23,000MHz, or 38,600–40,000 MHz (excluding those frequencies set out in § 94.65(i)(1) and (j)(8)), applicants shall follow the prior coordination procedure specified in § 21.100(d) of this chapter. In addition, when the proposed facilities are to be operated in the 2655–2690 or 12,500–12,700 MHz band, applicants shall also follow the procedures in § 21.706(c) and (d) and the technical standards and requirement of Part 25 of this chapter as regards to licensees in the Communication-Satellite Service. See also § 94.77.

(b) The interference protection criteria for operational-fixed stations, other than those licensed on frequencies set out in §§ 94.65(a)(1), 94.65(f)(1), 94.65(i)(1),

94.65(j)(8), 94.90, and 94.91 are as follows:

* * * * *

(d) * * *

(6) For nodal stations operating in the 2.5 GHz band where the antenna height above average terrain (AAT) is 300 feet or less, a statement that all existing co-channel stations are at least 80 km (50 miles) from the proposed nodal station site. See § 90.309 for determining AAT. If the AAT is greater than 300 feet an interference analysis showing the effect of the proposed station on all existing co-channel stations and pending applications that are located within 20 miles of the proposed station's the line-of-sight propagation path. In this case, previously authorized stations and proposed stations where the application is on file at the Commission shall be afforded a carrier to interfering signal protection ration of at least 45 dB.

(7) For nodal stations operating in the 10.6 GHz and 18 GHz bands where the antenna height above average terrain (AAT) is 300 feet or less, a statement that all existing co-channel stations are at least 56 km (35 miles) from the proposed nodal station site. If the AAT is greater than 300 feet an interference analysis showing the affect of the proposed station on all existing co-channel stations and pending applications that are located within 12 miles of the proposed station's line-of-sight propagation path. In this case, previously authorized stations and proposed stations where the application is on file at the Commission shall be afforded a carrier to interfering signal protection ratio of at least 45 dB.

* * * * *

9. Section 94.65 is amended by revising paragraphs (f) and (i), and adding (j) (8) to read as follows:

§ 94.65 Frequencies.

* * * * *

(f) 2500–2690 MHz. (1) The following frequencies are available for nodal stations in point-to-multipoint systems.

Frequencies (MHz)
2653
2665
2677

(2) The following frequencies are available for point-to-point operations. They may be paired, respectively, with frequencies available under paragraph (f)(1) of this section for two-way point-to-multipoint systems.

Frequencies (MHz)
2686.9375
2687.9375
2688.9375

(3) Frequencies available under this paragraph are subject to the condition that all stations licensed on the channels must comply with the technical standards set forth in § 94.63. Operational-fixed stations authorized in this band as of July 16, 1971, that do not comply with the above provisions may continue to operate on the frequencies assigned on a coequal basis with other stations operating in accordance with the Table of Frequency allocations. Requests for subsequent license renewals or modifications for such stations will be considered. However, expansion of systems comprised of such stations will not be permitted, except on frequencies allocated under this part.

* * * * *

(i) *10,550–10,680 MHz.* (1) The following frequencies are available for point-to-multipoint digital terminations systems.

Channel No.	Nodal Station: Frequency band limits MHz	User Station: Frequency band limits MHz
4A	10,580.0–10, 582.5	10,645.0–10,647.5
4B	10,582.5–10.585.0	10,647.5–10,650.0
19	10,585.0–10,587.5	10,650.0–10,652.5
20	10,587.5–10,590.0	10,652.5–10,655.0
21	10,590.0–10,592.5	10,655.0–10,675.5
22	10,592.5–10,595.0	10,657.5–10,660.0
23	10,595.0–10,597.5	10,660.0–10,662.5
24	10,597.5–10,600.0	10,662.5–10,665.0
7	10,605.0–10,607.5	10,670.0–10,672.5
9	10,610.0–10,612.5	10,675.0–10,677.5

(i) Each station will be limited to one frequency pair per SMSA. An additional channel pair may be assigned upon a showing that the service to be provided will fully utilize the spectrum requested. The channel pair may be subdivided as desired by the licensee.

(ii) A frequency pair may be assigned to more than one licensee in the same SMSA or service area so long as the interference protection criteria of § 94.63 are met.

(2) The following frequencies are available for point-to-point operations.

Transmit (receive) MHz	Receive (transmit) MHz
(i) 2.5 MHz bandwidth:	
10,551.25	10,616.25
10,553.75	10,618.75
10,556.25	10,621.25
10,558.75	10,623.75
(ii) 1.25 MHz bandwidth:	
10,560.625	10,625.625
10,561.875	10,626.875
10,563.125	10,628.125
10,564.375	10,629.375

(j) *17700–19700 MHz.* (Note: stations authorized as of September 9, 1983 to use frequencies in this band may, upon proper application, continue to be authorized for such operations.)

* * * * *

(8) The following frequencies are available for point-to-multipoint systems (DTS or video):

Channel No.	Nodal Station: Frequency band (MHz) limits	User Station: Frequency band (MHz) limits
25	18,820–18,830	19,160–19,170
26	18,830–18,840	19,170–19,180
27	18,840–18,850	19,180–19,190
28	18,850–18,860	19,190–19,200
29	18,860–18,870	19,200–19,210

(i) Each station will be limited to one frequency pair per SMSA. Additional channel pairs may be assigned upon a showing that the service to be provided will fully utilize the spectrum requested. A channel pair may be subdivided as desired by the licensee.

(ii) A frequency pair may be assigned to more than one licensee in the same SMSA or service area so long as the interference protection criteria of § 94.63 are met.

* * * * *

10. In § 94.67, the table is amended by revising footnote 8 to read as follows:

§ 94.67 Frequency tolerance.

* * * * *

[8] For Nodal Station transmitters operating in this band the frequency tolerance shall be 0.0001%.

11. Section 94.73 is amended by revising footnote 6 to read as follows:

§ 94.73 Power limitations.

(a) * * *

[6] The output power of a Digital Termination System nodal transmitter shall not exceed 0.5 watts per 250 kHz. The output power of a Digital Termination System user transmitter shall not exceed 0.04 watts per 250 kHz. The transmitter power in terms of the watts specified is the peak envelope power of the emission measured at the associated antenna input port. The operating power shall not exceed the authorized power by more than 10 per cent of the authorized power in watts at any time.

* * * * *

12. Section 94.75 is amended by revising footnote 3 in the table and adding a new paragraph (h):

§ 94.75 Antenna limitations.

* * * * *

[3] Except as provided for in paragraph (h) of this section.

* * * * *

(h) Antenna standards for Digital Termination Systems.

(1) Nodal transmitting antennas may be omnidirectional or directional, consistent with coverage and interference requirements.

(2) The use of horizontal or vertical plane wave polarization, or right hand or left hand rotating elliptical polarization must be used to minimize harmful interference between stations.

(3) Directive antennas shall be used at all user stations and shall be elevated no higher than necessary to assure adequate service. The user station antennas shall meet the performance standards as specified in § 21.208(c) and have a minimum power gain of (i) 34 dBi in the 10,550–10,680 MHz band and (ii) 38 dBi in the 17,700–19,700 MHz band. User antenna heights shall not exceed the height criteria of Part 17 of this Chapter, unless authorization for use of a specific maximum antenna height (above ground and above sea level) for each location has been obtained from the Commission prior to the erection of the antenna. Requests for such authorization shall show the inclusive dates of the proposed operation. (See Part 17 of this chapter concerning the construction, marking and lighting of antenna structures).

13. Section 94.95 is amended by revising paragraphs (a) and (e)(1) to read as follows:

§ 94.95 Special provisions for operational-fixed stations in the 2500–2690 MHz band.

(a) *Emissions and bandwidth.* The average power of radio frequency harmonics of the visual and aural carriers, measured at the output terminals of the transmitter, shall be attenuated no less than 60 dB below the peak visual output power within the assigned channel. All other emissions appearing on frequencies more than 3 MHz above or below the upper and lower edges, respectively, of the assigned channel shall be attenuated no less than 60 dB. Should interference occur as a result of emissions outside the assigned channel, greater attenuation may be required.

* * * * *

(e) *Frequency tolerance.* (1) The frequency of the visual carrier shall be maintained within 1 kilohertz of the assigned frequency at all times when the station is in operation.

* * * * *

Subpart F—[Removed]

14. Part 94 is amended by removing Subpart F in its entirety.

Federal Communications Commission.

H. Walker Feaster III,

Acting Secretary.

[FR Doc. 88–13567 Filed 6–17–88; 8:45 am]

BILLING CODE 6710-01-M

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47 CFR Part 73

[MM Docket No. 88–232; RM–6310]

Radio Broadcasting Services; Georgetown, Marlin and San Saba, TX

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document requests comments on a petition by Capitol Broadcasting Corporation, licensee of Station KQFX(FM), Channel 243C2, Georgetown, Texas, proposing the substitution of Channel 244C1 for Channel 243C2 and modification of its license to specify operation on the higher class channel. A site restriction of 1.8 kilometers (1.1 miles) northwest of the city is required, at coordinates 30–38–47 and 97–41–14. In addition, in order to accomplish the Georgetown substitution channel substitutions must be made at Marlin, Texas (Channel 225A for 244A) and San Saba, Texas (Channel 246A for 244A). Mexican concurrence is required for the San Saba substitution.

DATES: Comments must be filed on or before July 25, 1988, and reply comments on or before August 9, 1988.

ADDRESS: Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioners, or their counsel or consultant, as follows: Steve A. Lerman, Esquire, Leventhal, Senter & Lerman, 2000 K Street NW., Suite 600 Washington, DC 20006–1809 (Counsel for petitioner).

FOR FURTHER INFORMATION CONTACT: Patricia Rawlings, (202) 634–6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 88–232, adopted April 29, 1988, and released June 3, 1988. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857–3800, 2100 M Street NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1204(b) for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

Steve Kaminer,

Deputy Chief, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 88–13566 Filed 6–17–88; 8:45 am]

BILLING CODE 6712-01-M

Notices

Federal Register
Vol. 53, No. 118
Monday, June 20, 1988

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

Commodity Credit Corporation

1988-Crop Peanuts; Loan and Purchase Programs

AGENCY: Commodity Credit Corporation.

ACTION: Notice of determination.

SUMMARY: This notice affirms the February 12 announcements of the following determinations for the 1988 crop of peanuts: (The national average level of price support for quota peanuts; (2) the national average level of price support for additional peanuts; and (3) the Commodity Credit Corporation (CCC) minimum sales price for export for edible use of 1988-crop additional peanuts pledged as collateral for a price support loan.

These determinations are made pursuant to the Agricultural Act of 1949, as amended (hereinafter referred to as the "1949 Act").

FOR FURTHER INFORMATION CONTACT: Gypsy Banks, Agricultural Economist, Agricultural Stabilization and Conservation Service, USDA, Room 3732-South Building, P.O. Box 2415, Washington, DC 20013, (202) 447-5953. The final regulatory impact analysis describing the impact of implementing this determination is available upon request from the above-named individual.

SUPPLEMENTARY INFORMATION: This notice of determination has been reviewed under Department of Agriculture (USDA) procedures established to implement Executive Order 12291 and Department Regulation 1512-1 and has been classified "not major." It has been determined that these program provisions will not result in: (1) An annual effect on the economy of $100 million or more; (2) a major increase in costs or prices for consumers, individual industries, Federal, State, or local governments, or geographical regions; or (3) significant adverse effects on competitiion, employment, investment, productivity, innovation or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

The title and number of the Federal Assistance Program to which this notice applies are: Title—Commodity Loans and Purchases, Number—10.051, as found in the Catalog of Federal Domestic Assistance.

It has been determined that the Regulatory Flexibility Act is not applicable to this notice since CCC is not required by 5 U.S.C. 553 or any other provision of law to publish a notice of proposed rulemaking with respect to the subject matter of this notice.

Section 1017 of the Food Security Act of 1985 provides that the Secretary of Agriculture shall detemine the rate of loans, payments, and purchases under the 1949 Act for the 1986-90 crops of commodities without regard to the requirements for notice and public participation in rulemaking prescribed in section 553 of title 5 of the United States Code or in any directive of the Secretary.

This program/activity is not subject to the provisions of Executive Order 12372 which requires intergovernmental consultation with State and local officials. See the Notice related to 7 CFR Part 3015, Subpart V, published at 48 FR 29115 (June 24, 1983).

A notice that the Secretary was preparing to make determinations with respect to the national average support level for the 1988 crop of quota peanuts was published in the **Federal Register** on December 2, 1987, (52 FR 45838). The quota support level was proposed to be $615.87 per short ton. The written comment period ended February 1, 1988.

A total of five comments were received through February 1. The commenters were two national producer groups, two state producer groups, and one producer. Four respondents supported the proposed quota support level of $615.87 per short ton. One respondent commented that peanut production costs have increased.

The determination of the national average support level for the 1988 crop of quota and additional peanuts was required, by the 1949 Act, to be made by the Secretary of Agriculture no later than February 15, 1988.

Determinations with respect to the minimum CCC export edible sales price for loan collateral additional peanuts are usually made at the same time to facilitate producer planning for the crop year.

For the reasons set forth below, the Secretary on February 12, 1988, announced for the 1988 crop of peanuts the following: (1) A national average quota support level of $615.27 per ton; (2) a national average additional support level of $149.75 per ton; and (3) a minimum price of $400 per ton for export sales for edible uses of additional peanuts pledged as collateral for price support loans.

A. National Average Support Level for Quota Peanuts. Section 108B(1)(B)(ii) of the 1949 Act provides that the national average support level for the 1988 crop of quota peanuts shall be the national average quota support rate for such peanuts for the preceding crop, adjusted to reflect any increase in the national average cost of peanut production, excluding any change in the cost of land, during the calendar year immediately preceding the marketing year for the crop for which a level of support is being determined. This section provides further that in no event shall the national average quota support rate for any such crop exceed by more than 6 per centum the national average quota support rate for the preceding crop.

Accordingly, the 1988 quota support level is required to be the 1987 quota support of $607.47 per ton adjusted to reflect any such increase in the national average cost of peanut production in calendar year 1987. Cash expenses, capital replacement, net land rent and labor are the cost components used in this comparison. Because Section 108B excludes any change in the cost of land, 1986 net land rent was substituted for 1987 net land rent in the analysis. Following the issuance of the proposed determination, the Economic Research Service (ERS) revised production cost estimates down slightly from the cost projections used in developing the proposed quota support level in order to incorporate revised data published by the National Agricultural Statistics Service. Based on the production cost components, as estimated by ERS, it was estimated that the national average cost of producing 1987-crop peanuts on a planted acre basis increased $16.30 per planted acre from the 1986 cost estimate.

Using a trend yield, planted acre costs were conveted to a cents per pound figure. A trend yield is used to reduce year-to-year per unit variability caused by abnormal weather and related factors. On a per pound basis, the national average cost of producing 1987 crop peanuts was, based on the revised data, estimated to have increased $0.0039 per pound, or $7.80 per ton from the 1986 cost of production. Accordingly, it was determined and announced that the national average support level for the 1988 crop of quota peanuts shall be $615.27, up $7.80 per ton from the corresponding support level for the 1987 crop. Details of the revised cost of production estimates are shown in the following table:

NATIONAL AVERAGE COST OF U.S. PEANUT PRODUCTION, 1986–87 [1]

Item	(Dollars per planted acre)	
	1986	1987
Cash Receipts:		
Primary Crop	638.05	580.77
Secordary Crop	14.95	15.40
Total	653.00	596.17
Cash Expenses:		
Seed	65.34	82.39
Fertilizer	18.16	17.32
Lime and Gypsum	14.93	14.24
Chemicals	91.71	89.88
Custom Operations	7.52	7.39
Fuel, Lube, Electricity	16.04	16.44
Repairs	17.93	18.06
Hired Labor	7.84	8.29
Drying	34.08	33.99
Miscellaneous	0.19	0.20
Technical Services	0.91	0.94
Total, Variable Expenses	274.65	289.15
General Farm Overhead	27.17	27.93
Taxes and Insurance	12.23	12.95
Interest	61.23	57.66
Total, Fixed Expenses	100.62	98.54
Total, Cash Expenses	375.28	387.68
Receipts Less Cash Expenses	277.72	208.49
Capital Replacement	50.23	52.55
Receipts Less Cash Expenses and Replacement	227.49	155.93
Economic (Full Ownership) Costs:		
Variable Expenses	274.65	289.15
General Farm Overhead	27.17	27.93
Taxes and Insurance	12.23	12.95
Capital Replacement	50.23	52.55
Allocated Returns to Owned Imputs:		
Return to Operating Capital	6.08	5.82
Return to Ohter Nonland Capital	9.33	9.76
Net Land Rent	87.91	84.96
Unpaid Labor	26.24	27.82
Total, Economic Costs	493.84	510.94
Residual Returns to Management and Risk	159.16	85.23
Cash Expenses, Capital Replacement, and Unpaid Labor	451.75	468.05
Net Land Rent [2]	87.91	87.91
Total Cost	539.66	555.96
Trend Yield (Pounds Per Planted Acre)	2,741	2,769
Cost (Cents Per Pound	19.69	20.08

[1] Totals may not sum due to rounding.

[2] 1986 net land rent was substituted for the 1987 value because a legislative provision excludes any change in the value of land from consideration.

B. National average level of support for additional peanuts. Section 108B(2)(A) of the 1949 Act provides that the Secretary shall make price support available to producers through loans, purchases, or other operations on 1988-crop additional peanuts at such level as the Secretary determines to be appropriate, taking into consideration certain factors. Those factors are the demand for peanut oil and peanut meal, expected prices of other vegetable oils and protein meals, and the demand for peanuts in foreign markets. The Act further provides that the Secretary shall establish the support rate for additional peanuts at a level which the Secretary estimates will ensure that there are no losses to CCC on the sale or disposal of such peanuts. Section 358(v)(1) of the Agricultural Adjustment Act of 1938 defines additional peanuts for any marketing year as: (A) any peanuts marketed from a farm for which a farm poundage quota has been established that are in excess of the quota marketings from such farm for such year and (B) all peanuts marketed from a farm for which no farm poundage quota has been established. The statutory 1949 Act factors for determining the additional support level are discussed below for the 1988 crop.

1. Demand for peanut oil and meal. The quantity of peanuts available for crushing for the 1988/89 marketing year (August 1, 1988 to July 31, 1989), a residual of edible use, is projected to average 341,000 short tons compared with 263,000 short tons for the 1987/88 marketing year. Peanut oil and meal prices are expected to average 31 cents per pound and $192.50 per short ton, respectively, for the 1988/89 marketing year.

2. Expected prices of other vegetable oils and meals. For the 1987/88 marketing year, the world aggregate production of oil seeds is estimated to be 222.7 million short tons, up 4 percent from 1986/87. The recovery in soybean production is the biggest single factor in the increase. Soybeans account for 50 percent of the total world aggregate oilseed production while peanuts account for 9 percent. Because of soybean dominance of the total supply, soybeans lead the demand-supply price patterns for oilseeds.

U.S. soybean production for 1987/88 decreased 2 percent to 1.905 million bushels. Lower carryover stocks and lower production will decrease total supplies by 5 percent. A projected 1-percent increase in use is expected to continue to reduce ending stocks by 32 percent to 295 million bushels.

Domestic soybean oil and meal prices are expected to rise relative to recent years because of lower supplies. For the 1987/88 marketing year, soybean oil prices are expected to range from 17 to 20 cents per pound in comparison to an average price of 15.4 cents per pound for the 1986/87 marketing year. Soybean meal prices are expected to range from $175 to $205 per ton for the 1987/88 marketing year in comparison to a price of $162.70 per ton for 1986/87.

The 1988/89 U.S. soybean production may drop slightly from 1987/88. Lower beginning stocks and a slight reduction in production is expected to lower total supplies. Demand may drop slightly, contributing to the reduction in ending stocks. Total use of oil and meal is expected to drop less than 1 percent. Domestic soybean oil prices are projected to increase about 8 percent above 1987/88 levels and soybean meal prices are projected to drop 1 percent from the 1987/88 level.

3. Demand for peanuts in foreign markets. The demand for U.S. peanuts in foreign markets is expected to strengthen. The U.S. is expected to supply 375,000 short tons of peanuts to the export market in the 1988/89 marketing year, compared with 350,000 tons for the 1987/88 marketing year.

4. Analysis. Subject to the pool offset provisions of sections 108B(3)(B) and 108B(4), net gains from peanut pools are redistributed to producers, while net losses are absorbed by CCC. Section 108B(3)(B) of the 1949 Act requires each area marketing association to establish accounting pools by area and segregation for quota and additional peanuts. It is possible that all peanuts in some additional loan pools may be disposed of exclusively through sales for domestic crushing. Based on the consideration of the market factors set forth above, it was estimated that the average crushing price for loan collateral 1988-crop additional peanuts would be $217 per ton. CCC's handling and related costs were estimated to be $70 per ton. It was, therefore, estimated that the expected effective revenue from crushing sales would be $147.57 per ton.

It was concluded that the support level should remain at the 1987-crop level of $149.75 per ton. This level was determined to be sufficient to ensure no CCC losses because of the likelihood that a minimal shortfall on crushing peanuts could be offset by gains on other additional peanuts taken under loan.

C. CCC Minimum price for additional peanuts sold for export for edible use.

The determination of a CCC minimum price for additional peanuts sold for export for edible use is discretionary. This price has customarily been announced at the same time as the determination of the support levels for quota and additional peanuts to give handlers and growers adequate information on which to base export contracts for additional peanuts. If the price is established too high, it may discourage export contracting between handlers and growers and unnecessarily encourage the production of additional peanuts for the price support loan program on the assumption that the minimum CCC sales price would be the price growers actually will receive through pool dividends.

This assumption may be incorrect, however, since a misjudgment of the price of edible peanuts in the export market could result in CCC losing edible sales and having to crush the loan inventory. If the minimum sales price is too low, returns from export sales will not be maximized, and grower income reduced, since the prices in export contracts between handlers and growers generally do not exceed the CCC minimum export sales price.

Based on expected world prices, it was concluded that a CCC minimum price of $400 per ton for export sales for edible use of additional peanuts would be appropriate.

Since the only purpose of this notice is to affirm the determinations announced by the Secretary on February 12, 1988, for the 1988 crop of peanuts, it has been determined that no further public rulemaking is required. Accordingly, the following determinations are affirmed.

Determinations

(1) The national average level of support for the 1988 crop of quota peanuts shall be $615.27 per ton. This level of support is applicable to eligible 1988-crop farmers stock peanuts in bulk or in bags, net weight basis.

(2) The national average level of support for the 1988 crop of additional peanuts shall be $149.75 per ton. This level of support is applicable to eligible 1988-crop farmers stock peanuts in bulk or in bags, net weight basis.

(3) The Commodity Credit Corporation (CCC) minimum price for export sales for edible use of the 1988 crop of additional peanuts is $400 per ton for peanuts (1) owned by CCC, or (2) which are taken into inventory by a producer association as collateral for price support loans made available by CCC.

Signed at Washington, DC, on June 13, 1988.

Milton Hertz,

Executive Vice President, Commodity Credit Corporation.

[FR Doc. 88-13801 Filed 6-17-88; 8:45 am]

BILLING CODE 3410-05-M

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

Self-Evaluation Report

AGENCY: Architectural and Transportation Barriers Compliance Board.

ACTION: Request for comments on section 504 Self Evaluation Report.

SUMMARY: Pursuant to section 504 of the Rehabilitation Act of 1973, as amended, the Architectural and Transportation Barriers Board (hereinafter ATBCB) issued 36 CFR Part 1154 which requires the agency to conduct a self evaluation of its compliance with section 504 and submit a report. 36 CFR 1154.110 provides that the agency shall provide an opportunity for interested persons, including handicapped persons or organizations representing handicapped persons, to participate in the self-evaluation process by submitting comments (both oral and written). The ATBCB has conducted a self-evaluation and is requesting any and all interested persons and organizations to submit comments on the proposed report.

DATE: Comments are requested on or before July 5, 1988.

FOR FURTHER INFORMATION CONTACT: Elizabeth Stewart, Senior Attorney, Architectural and Transportation Barriers Compliance Board, 1111 18th Street NW., Suite 501, Washington, DC 20036-3894, (202) 653-7834 (voice or TDD).

SUPPLEMENTARY INFORMATION: Pursuant to section 504 of the Rehabilitation Act of 1973, as amended, the ATBCB issued 36 CFR Part 1154 effective July 6, 1987. As mandated by section 504, 36 CFR Part 1154 requires that the ATBCB operate all of its programs and activities so that qualified handicapped persons are not subjected to discrimination. The regulation sets forth standards for what constitutes discrimination on the basis of mental or physical handicap, provides a definition of handicapped person and qualified handicapped person, and establishes a complaint mechanism for resolving allegations of discrimination against the ATBCB. To ensure compliance with section 504, § 1154.110 requires the ATBCB to conduct a self-evaluation study and prepare a report. Accordingly, a task force was formed comprised of employees of the ATBCB and an indepth study conducted on the policies, activities, programs and facilities utilized by the ATBCB. The following proposed report is a compilation and analysis of the results of that study. All interested persons and organizations are invited to submit comments on the proposed report on or before July 5, 1988 to the ATBCB by contacting Elizabeth Stewart at (202) 653-7834 (voice or TDD) or by submitting written responses to 1111 18th Street NW., Washington, DC 20036-3894. Actual responses to the questionnaire utilized in the evaluation are available on request from the ATBCB.

The Architectural And Transportation Barriers Compliance Board

Section 504 Self-Evaluation Report

The ATBCB

In 1968, Congress enacted the Architectural Barriers Act (ABA) to ensure that certain buildings financed with federal funds are designed and constructed to be accessible to physically handicapped people. The ABA (Pub. L. 90-480) requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds since September 1969—when architectural accessibility standards were first prescribed—must be accessible to and usable by handicapped persons. Facilities covered by this law include those receiving grants or loans if standards for design, construction, or alteration are issued under authority of the legislation authorizing the grant or loan. The law does not cover every type of federal funding nor does it include privately funded constructions.

The 1968 Act gave four federal agencies—General Service Administration (GSA), Department of Defense (DOD), Department of Housing and Urban Development (HUD), and the U.S. Postal Services (USPS)—authority to set accessibility standards. GSA's standards apply to federally funded construction other than that covered by HUD, DOD, and USPS standards. The four agencies are required to conduct "continuing surveys and investigations to insure compliance with such standards".

Five Years after the ABA was passed, Congress created the Architectural and Transportation Barriers Compliance Board (ATBCB) to enforce the law. The ATBCB was authorized under section 502 of the Rehabilitation Act of 1973 (Pub. L. 93-112).

The ATBCB is an independent Federal Agency with 23 board members. The President appoints 12 public members (six must be disabled) to three-year terms while the other 11 are the heads (or designees) of the departments of Defense, Education, Health and Human Services, Housing and Urban Development, Interior, Justice, Labor, and Transportation; General Services Administration; Veterans Administration and the U.S. Postal Service. An executive director heads the ATBCB staff.

The ATBCB's primary legislative mandate is to ensure compliance with standards prescribed under the ABA. Other functions are to:

(1) Propose alternative solutions to barriers facing handicapped persons in housing, transportation, communications, education, recreation, and attitudes;

(2) Determine what federal, state, and local governments and other public or private agencies and groups are doing to eliminate barriers;

(3) Recommend to the President and Congress legislation to eliminate barriers;

(4) Establish minimum guidelines and requirements for standards issued under the ABA;

(5) Prepare plans for adequate transportation and housing for handicapped persons, including proposals to cooperate with other agencies, organizations, and individuals working toward such goals;

(6) Develop standards and provide technical assistance to any entity affected by regulations issued under Title V of the Rehabilitation Act of 1973;

(7) Provide technical assistance on the removal of barriers and answer other questions on architectural, transportation, communication, and attitudinal barriers affecting physically handicapped persons;

(8) Ensure that public conveyances, including rolling stock, are usable by handicapped persons;

(9) Determine how and to what extent transportation barriers impede the mobility of handicapped individuals and aged handicapped individuals and consider ways in which travel expenses in connection with transportation to and from work for handicapped individuals can be met or subsidized when such individuals are unable to use mass transit systems or need special equipment in private transportation and consider the housing needs of handicapped individuals;

(10) Determine what measures are being taken, especially by public and other nonprofit agencies and groups having an interest in and a capacity to deal with such problems to eliminate barriers from public transportation systems (including vehicles used in such systems) and to prevent their incorporation in new or expanded transportation systems and to make housing available and accessible to handicapped individuals or to meet sheltered housing needs;

(11) Prepare plans and proposals for such further actions as may be necessary to the goals of adequate transportation and housing for handicapped individuals, including proposals for bringing together in a cooperative effort, agencies, organizations, and groups already working toward such goals or whose cooperation is essential to effective and comprehensive action.

The ATBCB may conduct investigations, hold public hearings, and issue orders to comply with the ABA. An order is final and binding on any federal department, agency, or instrumentality of the United States.

The ATBCB also may provide technical assistance about removing physical barriers to public or private groups, individuals, agencies, or organizations. It is not necessary to file a complaint to obtain information and assistance from the Board. The agency maintains extensive files on bibliographies, products, and other resources on accessibility, and also may refer persons to appropriate officials in state, local, or other federal agencies or private organizations.

The ATBCB reports annually to the President and Congress on investigations, actions, and extent of compliance with the ABA.

The ATBCB and Section 504

Pursuant to section 504 of the Rehabilitation Act of 1973, as amended, the ATBCB issued 36 CFR Part 1154 effective July 6, 1987. As mandated by section 504, 36 CFR Part 1154 requires that the ATBCB operate all of its programs and activities so that qualified handicapped persons are not subjected to discrimination. The regulation sets forth standards for what constitutes discrimination on the basis of mental or physical handicap, provides a definition of handicapped person and qualified handicapped person, and establishes a complaint mechanism for resolving allegations of discrimination against the ATBCB. To ensure compliance with section 504, § 1154.110 requires the ATBCB to conduct a self-evaluation study and prepare a report. Accordingly, a task force was formed comprised of employees of the ATBCB and an in-depth study conducted on the policies, activities, programs and facilities utilized by the ATBCB. In addition to the Executive Director, each unit of the ATBCB was contacted and requested to participate in the study by completing a questionnaire regarding accessibility and the ATBCB. Input form all aspects of the agency was gathered and analyzed. The following report is a compilation and analysis of the results of that study.

I. Policy:

Discussion and Observation

Policies of the Architectural and Transportation Barriers Compliance Board

The Architectural and Transportation Barriers Compliance Board (hereinafter referred to as the "ATBCB" or "Board") access policies are firmly embedded not only in its 504 Regulation located at 52 FR 16374, but also in its regulatory responsibilities. Section 502 of the Rehabilitation Act which created the ATBCB, provides in pertinent part:

502(b) It shall be the function of the Board to: (1) Insure compliance with the standards prescribed pursuant to the Act of August 12, 1968, commonly known as the Architectural Barriers Act of 1968 * * * including but not limited to enforcing all standards under that Act, and insuring that all waivers and modifications of standards are based upon findings of fact and are not inconsistent with the provisions of such Act and this section;

(2) Investigate and examine alternative approaches to the architectural, transportation, communication, and attitudinal barriers confronting handicapped individuals, particularly with respect to telecommunication devices, public buildings and monuments, parks and parklands, public transportation * * * and residential and institutional housing;

(3) Determine what measures are being taken by Federal, State, and local governments and by other public or nonprofit agencies to eliminate the barriers described in clause (2) of this subsection; * * *

(7) Establish minimum guideline and requirements for the standards issued pursuant to the Act of August 12, 1968, as amended, commonly known as the Architectural Barriers Act of 1968 * * *.

It is clear that from its inception, the ATBCB has been committed to accessibility for the handicapped community. The day to day policies of the ATBCB reflect and implement its commitment to accessibility.

As of this date, a mission statement has been drafted by the ATBCB; and

formal adoption is being considered by the Board. The proposed mission statement for the agency clearly reflects the agency's legislative commitment to accessibility.

Job Announcements/Hiring Practices

All job announcements for positions with the ATBCB contain language specifically encouraging handicapped individuals to apply.

Additionally, vacancy notices are widely circulated to disability organizations. Office space is accessible and research tools are available for mobility impaired employees. A reader is provided for visually impaired and assistive technology is also provided. For hearing impaired employees and visitors, interpreters and sight guides are provided and sign language has been taught to staff and continues on an "as requested" basis. Additionally, fully accessible TDD are available.

Outside Participants

It is the policy of the ATBCB to require the inclusion of representatives of disability groups on advisory panels for projects and activities. Funds have been set aside in the agency's administrative budget for use by all units to support any needed accommodations for visitors, staff, panelists, or other meeting participants who may have disabilities. Activities and programs are held in fully accessible space and a variety of communication assistance is provided as needed. Sign interpreters, readers and fully accessible TDDs are available. The agency possesses an assistive listening system (ALS) that can be used by both hearing aid and non-aid users. Individual requests for additional accommodations are met.

Access for people with disabilities is a consideration when each unit undertakes special policy related efforts such as research, studies, symposia and future planning efforts. Generally all such efforts are related to and focus on accessibility.

Emergency Evacuation Efforts

Although an emergency evacuation plan is in the process of being developed, a definitive plan has not been formulated. Each unit indicated a clear need to implement an evacuation plan and gave that task a high priority. Specifically, the staff indicated a need to have the visual alarms purchased for the office installed, an evacuation route determined, and the mechanics of evacuating the disabled employees established. Currently, Dennis Cannon of the Office of Technical and Information Services has been designated the contact person with the building tenant who has been assigned by GSA to formulate such a plan.

Grievance Procedures

The ATBCB has established a grievance procedure for handling complaints related to section 504. The Equal Employment Opportunity officer is responsible for handling 504 complaints. It is anticipated that a section regarding the procedures for filing complaints will be included in detail in an employee handbook.

Areas for Future Development

Mission statement: The ATBCB has prepared a proposed mission statement which reflects the agency's legislative commitment to accessibility. The Board should adopt the proposed mission statement or a similar statement which also reflects its commitment.

Emergency Evacuation Efforts: The office of the ATBCB was recently moved to a new location and is currently in the process of developing a plan for evacuation for disabled employees. The formulation of such a plan should be given a high priority. Dennis Cannon of the Office of Technical and Information Services has been designated the contact person with GSA to formulate the evacuation plan. Visual alarms have been purchased by the agency and should be installed soon.

Grievance Procedures: The ATBCB has developed procedures for filing accessibility complaints. For the benefit of the employees, it is suggested that the procedures should be prominently displayed on an employee bulletin board. The ATBCB is in the process of developing a handbook for employees and which should contain a section regarding the procedures for filing complaints regarding accessbility.

II. Personnel:

Discussion and Observation

Agency practices and hiring procedures do not discriminate against job seekers with disabilities. As discussed in Policy "Job Announcements/Hiring Practices" all job announcements contain a statement to the effect that individuals with disabilities are encouraged to apply. Currently, there are seven employees of the ATBC with identified disabilities or 20% of the entire staff.

In order to accommodate employees and visitors, the ATBCB has available, either in-house or on-request, the following:

Qualified sign language and/or oral interpreters
Readers
Special furniture
Telecommunication Devices for Deaf People (TDD)
Computer
Voice synthesizer for visually impaired staff
Portable visual alarm for hearing impaired

Additionally, the ATBCB has taken the following actions:

Restructured job requirements or activities
Modified work schedules
Reassigned offices or space

The ATBCB holds periodic staff training sessions in sign language courses and training on TDD uses.

Staff Awareness

While staff is generally aware of the availability of assistive devices and access considerations, EEOC guidelines concerning access for people with disabilities are not prominently and consistently displayed. Although, staff is made aware of the availability of certified sign language and/or oral interpreters, readers, TDD(s), and printed materials, it is suggested that specific procedures should be made available to the staff through a 504 handbook and that training sessions be held on a quarterly basis to educate new staff and provide a refresher course for continuing staff.

Areas For Future Development

Staff training sessions: Currently, the ATBCB makes sign language courses available to its employees upon request and has held staff training on TDD use. Although staff is generally aware of the accessibility features of the office, it is suggested that the agency should hold regular or periodic staff training sessions to educate the staff as to the availability and use of the assistive devices and services currently utilized by the ATBCB such as TDD's, voice synthesizer, readers, certified sign language interpreters, and enlarged print capabilities. At a minimum, orientation sessions should be held for new employees.

Assistive listening device: Although the ATBCB does have a number of TDD's available for deaf or hearing impaired, the ATBCB does not have an amplification receiver for phones to assist the hearing impaired and may wish to consider the purchase of such a receiver.

III. Communications:

Discussion and Observations

Outreach

An overview of the Board's outreach activities to inform and involve people with disabilities about the work of the agency indicates that information is routinely provided to consumer organizations and individuals through presentations and participation in meetings, the widespread distribution of a quarterly newsletter, and the placement of articles about the Board's work in consumer organization publications. Efforts of the ATBCB also include scheduling of activities with consumer organization representatives and the extension of invitations for open floor discussions at some of the Board's meetings which are now being held in major cities throughout the country.

Print Materials Accessibility

The Board's staff offices produce and support the full range of printed materials for program and administrative purposes.

Responses to the self-evaluation checklist indicate that the following types of agency print materials are produced: program, pamphlets, guidelines, newsletters, press releases, job announcements, information/bulletins and special reports. In addition, a number of other agency generated print materials were identified which include Federal Register announcements, notices of proposed rulemaking, legislative position papers, correspondence, requests for proposals for research and technical assistance contracts and compliance and enforcement regulations. The ATBCB's Office of Technical and Information Services (OTIS) and the Office of the General Counsel (OGC) are involved in the preparation of the greatest number of different types of materials.

In general, the Board's printed materials are made accessible to people with visual impairments on an "as needed" basis through readers, recordings, and word processing disks.

All office checklist responses indicated the knowledge and use of readers for making their office information accessible to persons with visual impairments. One OTIS staff position is dedicated to performing this function for Board members, staff and consumer needs. This staff resource provides an available and responsive means for reading and recording all types of print materials.

The Board has also purchased and maintains recording, duplicating, and erasing equipment as well as a supply of audio cassette tapes to facilitate this information dissemination. For years, the Board has routinely recorded and made available the newsletter, technical papers, notices of proposed rulemaking, MGRAD, UFAS, and Board agenda materials to persons with visual impairments. In addition, agenda materials, legal research and opinions, and legislative position papers are made accessible to persons with visual impairments with assistive technological devices through the preparation and transmittal of computer disks and telephone line data transfers.

While the qualities of availability, facility in production, and flexibility characterize the Board's current capability for making its print materials accessible to persons with visual impairments, several areas for further development have been identified.

Auditory Information Accessibility

All individual unit responses indicated full staff knowledge and usage of TDDs to communicate with people who are hearing impaired. For this purpose, each unit has at least one TDD located at a secretarial work station within the unit. The OTIS has a second TDD which is located within the office of an accessibility specialsit. Conscientious inclusion of the words "voice or TDD" is ensured by all units in the preparation of publications in which the Board's office telephone numbers are listed.

The ATBCB prepares the Federal TDD Directory which lists TDD numbers for Federal offices across the country. In addition to a listing of the Board's major office numbers in this publication, agency telephone numbers also appear in the Telecommunications For the Deaf, Inc., C & P directory with the words "voice or TDD", in several state TDD directories published by organizations for persons with hearing impairments.

While three units indicated their use of the Federal TDD Message Relay system, which is funded by the ATBCB, the OTIS has not utilized this service because of TDD availability within the unit.

To ensure adequate provision of sign language interpreters whenever necessary, the Board has a service agreement with Sign Language Associates. The ATBCB is concerned and dedicated to maintaining the availability of these services.

Notification of Accommodation

People with disabilities are notified of the agency's accommodations through the inclusion of notices of availability in all ATBCB publications and by providing consumer organizations with notice of these services. The Board's publications indicate specific types of accommodations for persons with sensory and other types of disabilities. The Board includes notations of cassette availability in its Federal Register announcements. It was further noted that even the business cards used by agency personnel are brailled and state "voice or TDD" telephone numbers.

However, because of the types of disabilities of concern within this area of "Communication" self-evaluation, it is important to realize that traditional notification vehicles and information services, such as the Federal Register, Commerce Business Daily, vacancy announcements, and press releases are not usually accessible to persons with visual and other types of disabilities. Often too, the information contained must be responded to in a timely manner for appropriate consideration. Thus, despite statements in printed materials as to the availability of alternative accessible forms for obtaining this information, this notification of availability may not reach the audience for which accommodations are intended.

Areas for Future Development

Outreach: The Board's presence at national meetings and conventions of organizations of and for persons with disabilities is a valuable means for expanding information dissemination, dialogue and involvement in the work of the Board. Renewed attention to this activity is planned by Board members and staff.

In addition, the Board's investigation and potential utilization of national computer bulletin boards for people with disabilities could enhance the agency's outreach activities.

Print materials accessibility: The agency does not have the capability to produce materials in large type for persons with low vision (although all Board publications are now printed in 12-point type, selected for its legibility and which accommodates readers with less severe visual impairment). With the Board's current attention toward the development of its word processing and in-house computer printing, inclusion of equipment capable of producing information in large print should be considered.

While the Board has some available resources for brailling a limited amount of information and interpreting braille correspondence sent to the agency, this communication form is rarely used by this agency.

The ATBCB Publications Checklist is a frequently used means of informing consumers and the interested public about available general and technical publications. It also provides an efficient means for ordering such materials. Not only should the publications checklist be made available in one or more accessible forms, (e.g., forms) but it should indicate which of the Board's other publications are obtainable in an accessible format to persons with visual impairments.

Although the 504 self-evaluation responses did indicate information accessibility on an "as needed" or "upon request" basis for program documents, no indication was made as to the accessibility of administrative announcements such as those placed in the **Federal Register,** Commerce Business Daily, or personnel vacancy notices.

As a result of agency self-evaluation, it is further recommended that the Board continue its investigation, identification and acquisition of a appropriate new technology to accommodate the needs of its employees with sensory and physical disability.

Notification of accommodation: Identification and utilization of new and more direct means, (e.g., computer bulletin boards, telephone hotlines, etc.) for the timely dissemination of administrative and program information to consumer organizations and individuals are recommended.

IV. Meetings:

Discussion and Observations

The various types of meetings initiated, convened, and/or sponsored by the Board include in-house panels and Board meetings, and Board meetings outside the office.

Besides holding its meetings in accessible locations, the agency recently moved into new accessible office space. Prior to the move a task force of disabled persons was set up to monitor modifications to be made in the new space. The new offices are accessible and meet ANSI/UFAS standards.

Preparations in Advance of Meetings

In advance of ATBCB Board meetings, the executive secretary requests information of staff and Board members on special needs when scheduling travel. If requested, the agency would meet participants and give assistance to locate the meeting rooms, rest rooms, and water fountains. Assistive listening systems are available at meetings.

Meetings Held at ATBCB Office

Meetings are held in offices or other meeting spaces accessible to people with mobility impairments. Entrances and doors (e.g., low or beveled thresholds, adequate entrance width, and appropriate hardware on doors) meet specifications. Interior circulation (aisle width, routes free of objects that protrude) clear signage, and carpeting also meet UFAS requirements. Clear signage with raised numerals and braille, at appropriate locations and heights, is used at all doors. Interior circulation (e.g., aisle width, routes free of objects that protrude) meet specifications. Attention has been given to space requirements for people who use wheelchairs.

When requested, the agency can provide auxiliary listening systems (e.g., audio loop, infrared and wireless listening systems) to make meetings accessible to people with hearing impairments.

Access to the Board is available by public transportation (Metro and cab).

There is no private parking available at the ATBCB, however there are commercial lots nearby. Entrances, doors, and restrooms meet UFAS specifications. There are no public telephones however, office phones are available and in accessible locations. The water fountain is accessible. Clear signage at appropriate locations and heights designate accessible entrances and routes.

For people with visual impairments, entrance and interior routes are unobstructed and free of protruding objects. Elevators are equipped with raised characters on interior control panels. Room signage (including restrooms, offices, and conference rooms) has numerals with tactile signs at eye level or in compliance with UFAS.

Meetings Outside the ATBCB

When meetings are planned outside the agency, such as at hotels, the agency seeks space accessible to people with mobility, hearing, and visual impairments. Upon request, communication techniques such as large print, braille, and cassettes are provided to ensure that meetings are accessible to those persons with hearing and visual impairments or who are mentally retarded or have learning disabilities.

For persons with learning disabilities or mental retardation, the Board can offer (1) short, direct, clear presentations; (2) pictures that supplement written materials when possible; (3) maps with directions to meeting space; (4) cassette recordings of meetings; (5) support materials to review prior to meetings.

When the Board works with local organizers to make necessary arrangements, accessibility is assured.

Meeting Program

When requested, the agency provides various communications techniques to make its written and visual materials (e.g., agenda, report, slides, or meeting proceedings) accessible to people with visual impairments. Material can be provided in braille, on cassettes, on word-processing disks, and readers are available. Support materials can be provided to participants for review prior to a meeting.

Areas for Future Development

Meetings held at ATBCB office: Visual alarms which the agency has purchased should be installed by the building management.

Consideration could be given to adding names and titles in raised letters and braille to offices. Raised numerals and braille need to be added to elevator door jambs and other doors in the hall such as the janitor's closet, and on the other floors.

Meetings outside the ATBCB: Information about accessibility of the meeting site (Board meetings at the Department of Transportation, for example) could be included in the meeting announcement in the **Federal Register.** A map showing location of the meeting area, restrooms, and dining area could be made available.

To notify the general public that accommodations for people with disabilities are available on request at public meetings, the agency could use several methods: (1) A notice in the **Federal Register;** (2) a notice to national computer bulletin boards and organizations with telephone hotlines which are used by people with disabilities; (3) notices in meeting announcements, brochures, press releases and/or any other publications; (4) notices to organizations and agencies of and for individuals with disabilities. Assistive listening systems are also available at meetings.

Section 504 Self-Evaluation Report

Conclusion

The mandate of the U.S. Architectural and Transportation Barriers Compliance Board is to insure accessibility. The results of the self-evaluation study indicated that the day to day policies and activities of the ATBCB both reflect and implement that commitment. The self-evaluation study conducted by the task force not only proved to be a constructive device, but it heightened the agency's in-house awareness as

well. The study provided an identification of specific areas in which accessibility may be enhanced. Those areas will be reviewed and monitored by the ATBCB for improvement and compliance with Section 504. It is the consensus and recommendation of the self-evaluation task force that the agency should conduct a similar self-evaluation study on an annual basis with semi-annual meetings to assess progress.

Thomas G. Deniston,

Acting Executive Director.

[FR Doc. 88-13822 Filed 6-17-88; 8:45 am]

BILLING CODE 6820-BP-M

DEPARTMENT OF COMMERCE

Bureau of Export Administration

[Case No. OEE-2-(03)]

Order Vacating Order Temporarily Denying Export Privileges; Mario Brero et al.

In the Matter of: Mario Brero individually with an address at La Chenalettaz, CH-1096 Treytorrens, Switzerland; and doing business as: Samata S.A., 36 Rue de Montchoisy, CH-1207 Geneva, Switzerland; Marli S.A., 3 Chemin Taverney, CH-1218 Geneva, Switzerland; Graphic Data Products S.A., 3 Chemin Taverney, CH-1218 Geneva, Switzerland; Fincosid S.A., Galleria Benedettini, CH-6500 Bellinzona, Switzerland; Tourimex, S.A., Via Bordemo, CH-6596 Gordola, Switzerland; and Lilly Merchandising Co., Taborstrasse, Vienna, Austria, Respondents.

Order Vacating Order Temporarily Denying Export Privileges

On April 22, 1988 an *ex parte* Order Temporarily Denying Export Privileges was issued by the Bureau of Export Administration which denied all United States export privileges to the above referenced respondents. That Order is scheduled to expire on June 21, 1988. On June 1, 1988, the Office of Export Enforcement, Bureau of Export Administration, United States Department of Commerce (OEE) requested renewal of that Order with respect to all respondents, except Mario Brero and Samata S.A. (Brero and Samata). With respect to Brero and Samata, OEE explained "[i]n connection with the ongoing investigation, Mario Brero and Samata S.A. submitted documents to OEE relating to the transactions which are the focus of OEE's investigation. Based on those documents, coupled with Brero and Samata's representation that they will return to the United States the U.S.-origin goods which are in their possession and control, OEE is not seeking renewal of the temporary denial order against Mario Brero and Samata S.A." In a footnote found on page 2 of that request, OEE went on to say that it "would not oppose a motion by Brero and Samata to vacate the April 22, 1988 Order as it applies to them before its expiration date of June 21, 1988."

On June 2, 1988, counsel for Brero and Samata requested the immediate vacation of the April 22, 1988, Order as it applies to Brero and Samata before its expiration date.

Therefore, given that OEE has not requested renewal of the Order with respect to Brero and Samata and has stated its intention not to oppose the vacation of the Order with respect to Brero and Samata should such a request for vacation be made, and given that counsel for Brero and Samata have, in fact, requested vacation of the Order, I hereby vacate the April 22, 1988, Order Temporarily Denying Export Privileges with respect to Mario Brero and Samata S.A.

This Order will be published in the **Federal Register.**

Dated: June 15, 1988.

G. Philip Hughes,

Assistant Secretary for Export Enforcement.

[FR Doc. 88-13837 Filed 6-17-88; 8:45 am]

BILLING CODE 3301-00-M

National Oceanic and Atmospheric Administration

New England Fishery Management Council; Public Meeting

AGENCY: National Marine Fisheries Service, NOAA, Commerce.

The New England Fishery Management Council will convene a public meeting at the Holiday Inn, Woodbury Avenue, Portsmouth, NH, on June 29, 1988, at 1 p.m., to discuss reports of the Groundfish, Coastal/Anadromous, Atlantic Salmon and Environmental Affairs Oversight Committees. The Council's Lobster Committee will review recommendations on an escape vent size increase, and the Council will vote on the issue. Northern shrimp and its relationship to the Exempted Fisheries Program will be discussed also, along with a presentation on the Council's conservation engineering project. The public meeting will recess at 5 p.m., reconvene on June 30 at 9 a.m., and adjourn when agenda items are completed.

For further information, contact Douglas G. Marshall, Executive Director, New England Fishery Management Council, Suntaug Office Park, 5 Broadway, (Route One), Saugus, MA 01906; telephone: (617) 231-0422.

Date: June 14, 1988.

Richard H. Schaefer,

Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service.

[FR Doc. 88-13826 Filed 6-17-88; 8:45 am]

BILLING CODE 3510-22-M

Western Pacific Fishery Management Council, Amended Meeting Notice

AGENCY: National Marine Fisheries Service, NOAA, Commerce.

The date for the public meeting of the Western Pacific Fishery Management Council's Plan Monitoring Team (PMT), as previously published in the **Federal Register** (53 FR 21722, June 9, 1987) has been changed as follows:

From: June 14, 1988.

To: June 21, 1988.

All other information remains unchanged. For further information contact Kitty Simonds, Executive Director, Western Pacific Fishery Management Council, 1164 Bishop Street, Room 1405, Honolulu, HI 96813; telephone: (808) 523-1368.

Date: June 14, 1988.

Richard H. Schaefer,

Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service.

[FR Doc. 88-13827 Filed 6-17-88; 8:45 am]

BILLING CODE 3510-22-M

COMMITTEE FOR THE IMPLEMENTATION OF TEXTILE AGREEMENT

Announcement of Acceptance of ITA-370P Forms for Certain Cotton and Man-Made Fiber Textile Products Exported from the United States for Assembly in the Dominican Republic Under the Special Access Program

June 15, 1988.

AGENCY: Committee for the Implementation of Textile Agreements (CITA).

ACTION: Notice.

AUTHORITY: Executive Order 11651 of March 3, 1972, as amended: section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854); President's February 20, 1986 announcement of a Special Access Program.

FOR FURTHER INFORMATION CONTACT: Naomi Freeman, International Trade Specialist, Office of Textiles and

Apparel, U.S. Department of Commerce, (202) 377–4212.

SUPPLEMENTARY INFORMATION: The purpose of this notice is to advise the public that on June 22, 1988, U.S. Customs will start signing the first section of the form ITA–370P for shipments of cut parts destined for the Dominican Republic. This form helps govern shipments which the Government of the Dominican Republic intends to export to the United States under the Caribbean Basin Special Access Program. These products, which are assembled in the Dominican Republic from parts cut in the United States from fabric formed in the United States, are governed by U.S. Tariff (TSUSA) item number 807.0010. Interested parties should be aware that shipments of cut parts in Categories 338/638, 339/639, 340/640, 342/642 and 347/348/647/648 should be accompanied by a form ITA–370P, signed by a U.S. Customs officer, prior to export from the United States for assembly in the Dominican Republic on or after June 22, 1988. The goods assembled from these cut parts are for export from the Dominican Republic during the period December 1, 1988 through May 31, 1989. Assembled goods exported from the Dominican Republic prior to December 1, 1988 will be denied entry under the Special Access Program, but may be entered with a regular visa.

A description of the textile categories in terms of T.S.U.S.A. numbers is available in the CORRELATION: Textile and Apparel Categories with Tariff Schedules of the United States Annotated (see **Federal Register** notice 52 FR 47745, published on December 16, 1987). Also see 53 FR 20357, published on June 3, 1988.

James H. Babb,

Chairman, Committee for the Implementation of Textile Agreements.

June 15, 1988.

[FR Doc. 88–13843 Filed 6–17–88; 8:45 am]

BILLING CODE 3510-DR-M

Adjustment of Import Limits for Certain Cotton, Wool and Man-Made Fiber Textile Products Produced or Manufactured in the Philippines

June 15, 1988.

AGENCY: Committee for the Implementation of Textile Agreements (CITA).

ACTION: Issuing a directive to the Commissioner of Customs adjusting limits.

EFFECTIVE DATE: June 23, 1988.

AUTHORITY: Executive Order 11651 of March 3, 1972, as amended; section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854).

FOR FURTHER INFORMATION CONTACT: Kimbang Pham, International Trade Specialist, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 377–4212. For information on the quota status of these limits, refer to the Quota Status Reports posted on the bulletin boards of each Customs port or call (202) 535–6735. For information on embargoes and quota re-openings, call (202) 377–3715.

SUPPLEMENTARY INFORMATION: The current limits for certain sublevels in Group I and the limit for Group II are being adjusted, variously, for swing, carryover and carryforward used.

A description of the textile categories in terms of T.S.U.S.A. numbers is available in the Correlation: Textile and Apparel Categories with Tariff Schedules of the United States Annotated (see **Federal Register** notice 52 FR 47745, dated December 11, 1987). Also see 53 FR 163, published in the **Federal Register** on January 5, 1988.

The letter to the Commissioner of Customs and the actions taken pursuant to it are not designed to implement all of the provisions of the bilateral agreement, but are designed to assist only in the implementation of certain of its provisions.

James H. Babb,

Chairman, Committee for the Implementation of Textile Agreements.

COMMITTEE FOR THE IMPLEMENTATION OF TEXTILE AGREEMENTS

June 15, 1988.

Commissioner of Customs, Department of the Treasury, Washington, D.C. 20229.

Dear Mr. Commissioner: This directive amends, but does not cancel, the directive issued to you on December 30, 1987 by the Chairman, Committee for the Implementation of Textile Agreements, concerning imports of certain cotton, wool, man-made fiber, silk blend and other vegetable fiber textiles and textile products, produced or manufactured in the Philippines and exported during the period which began on January 1, 1988 and extends through December 31, 1988.

Effective on June 23, 1988, the directive of December 30, 1987 is hereby amended to adjust the current limits for the following categories, as provided under the terms of the current bilateral agreement between the Governments of the United States and the Philippines.

Category	Adjusted 12-month limit [1]
239	13,919,400 pounds.
333/334	163,921 dozen of which not more than 23,637 dozen shall be in Category 333.
335	102,852 dozen.
336	388,278 dozen.
337/637	1,176,600 dozen.
338/339	1,241,178 dozen.
340/640	722,641 dozen of which not more than 397,452 dozen shall be in Categories 340-YD/640-YD.[2]
341/641	639,551 dozen.
342/642	311,905 dozen.
345	100,011 dozen.
347/348	1,102,559 dozen.
351/651	352,980 dozen.
352/652	1,398,930 dozen.
433	2,895 dozen.
443	38,802 numbers.
634	258,728 dozen.
635	287,969 dozen.
636	1,011,876 dozen.
638/639	1,289,804 dozen.
643	564,768 numbers.
645/646	582,750 dozen.
647/648	705,960 dozen.
650	61,066 dozen.
Group II:	
200, 201, 218–219, 300–326, 330, 332, 349, 350, 353, 354, 359, 360–363, 369–0 [3], 400–429, 432, 434–442, 444, 448, 459, 464–469, 600–603, 606–629, 630, 632, 644, 653, 654, 659–0 [4], 665–670, and 831–859, as a group	68,613,499 square yards equivalent.

[1] The limits have not been adjusted to account for any imports exported after December 31, 1987.

[2] In Categories 340–YD/640–YD, only TSUSA numbers 381.0522, 381.3132, 381.3142, 381.3152, 381.5500, 381.5610, 381.5625, 381.5637, 381.5660, 381.9535, 381.9547, 381.9550 and 384.2306.

[3] In Category 369–0, all TSUSA numbers except 366.2840.

[4] In Category 659–0, all TSUSA numbers except 703.0510, 703.0520, 703.0530, 703.0540, 703.0550, 703.0560, 703.1000, 703.1610, 703.1620, 703.1630, 703.1640 and 703.1650.

The Committee for the Implementation of Textile Agreements has determined that these actions fall within the foreign affairs exception to the rulemaking provisions of 5 U.S.C. 553(a)(1).

Sincerely,

James H. Babb,

Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc. 88–13841 Filed 6–17–88; 8:45 am]

BILLING CODE 3510-DR-M

Adjustment of Import Limits for Certain Cotton, Wool and Man-Made Fiber Textile Products Produced or Manufactured in Thailand; Correction

June 15, 1988.

In the **Federal Register** notice published on May 27, 1988, page 19322, column one, add the following footnotes for Categories 604–A and 669–P:

[4] In Category 604–A only TSUSA number 310.5049.

[5] In Category 669–P, only TSUSA number 385.5300.

James H. Babb,

Chairman, Committee for the Implementation of Textile Agreements.

June 15, 1988.

[FR Doc. 88–13842 Filed 6–17–88; 8:45 am]

BILLING CODE 3510–DR–M

COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

Procurement List 1988 Additions

AGENCY: Committee for Purchase from the Blind and Other Severely Handicapped.

ACTION: Additions to procurement list.

SUMMARY: This action adds to Procurement List 1988 commodities to be produced by workshops for the blind or other severely handicapped.

EFFECTIVE DATE: July 20, 1988.

ADDRESS: Committee for Purchase from the Blind and Other Severely Handicapped, Crystal Square 5, Suite 1107, 1755 Jefferson Davis Highway, Arlington, Virginia 22202–3509.

FOR FURTHER INFORMATION CONTACT: E.R. Alley, Jr. (703) 557–1145.

SUPPLEMENTARY INFORMATION: On November 6 and November 30, 1987, the Committee for Purchase from the Blind and Other Severely Handicapped published notices (52 FR 42704 and 52 FR 45479) of proposed additions to Procurement List 1988, December 10, 1987 (52 FR 46926).

Comments were received from the current contractor for the six clamps, loop (hereinafter clamps) proposed for addition to the Procurement List.

The major issues raised in the comments received related to the qualification of the workshop, capability of the workshop to produce the clamps, the fair market price, the relative benefit to severely handicapped workers in the workshop, the impact on the current contractor, and compliance with the Administrative Procedure Act.

Qualification of the Workshop

The commenter indicated that the United Cerebral Palsy Association of King-Snohomish Counties (UCPA) consists of two private nonprofit corporations, United Cerebral Palsy of King-Snohomish and Interlake Industries, Inc., and that the clamps would be produced at an Interlake facility. He stated that only the articles of incorporation and bylaws of UCPA have been reviewed and approved by the Committee; thus, Interlake has not been determined by the Committee to be qualified to participate in the program. He commented that a Department of Labor report indicated that all of the workers at the Interlake Avenue production facility are paid above the minimum wage and, therefore, that facility cannot meet the Committee requirement that 75% of the direct labor be performed by severely handicapped workers since the workers at that facility are able to engage in normal competitive employment.

The contention that UCPA consists of two separate nonprofit industries is not correct. Interlake Industries is not an incorporated entity and is only a marketing name for UCPA. The president of UCPA has verified that Interlake Industries does not have articles of incorporations, bylaws, or a board of directors, and that the name is used solely for marketing purposes by UCPA. The workshop, at one time, had production facilities located at 4409 Interlake Avenue, North and 620 Bright Street in Seattle, Washington. The Bright Street facility was closed in December 1987, with those workers integrated into the Interlake Avenue facility. The statement that all workers in the Interlake facility are being paid more than the minimum wage, and that their hours could not be counted as "severely handicapped direct labor" is not correct. There is nothing in the Committee's Act or regulations that equates capability for competitive employment of a severely handicapped worker with wages paid to that worker. The capability of a severely handicapped worker for normal competitive employment is determined based on an on-going evaluation program conducted annually by persons qualified by training and experience to evaluate the work potential, interests, aptitudes and abilities of handicapped persons. The completed Committee Form 402, "Initial Certification—Qualified Nonprofit Agency for Other Severely Handicapped (Public Law 92–28)" submitted by the workshop reflects that 93% of the direct labor hours in the workshops were performed by severely handicapped persons.

Based on the preceding, the workshop is a qualified nonprofit agency for other severely handicapped in compliance with the Committee's Act and regulations.

Capability of Workshop to Produce

The commenter indicated that the workshop's capability to produce the large volume of clamps required by the Government is doubtful based on the contention that production would be performed at the Bright Street facility which was a Work Activity Center whose workers had a lower productivity. In addition, he stated that the Bright Street facility was not inspected by the Government to determine its capability to produce the clamps. He further contended that the clamps are included under the Defense Industrial Preparedness Program as vital items during war or national emergency. He questioned the workshop's capability to produce surge requirements of the Government during these emergency situations.

The workshop has indicated that the clamps will be produced only at the Interlake facility. The Committee requested the procuring activity to inspect the UCP Interlake facility to determine its capability to produce the clamps being proposed for addition to the Procurement List. The procuring activity, in its inspection report, indicated that the workshop is capable of supplying the clamps in a timely manner. The report continued that "United Cerebral Palsy has had several contracts for similar items and has no deficiencies noted. This contractor's past history and facilities are considered satisfactory for successful performance on future contracts for the same or similar products . . . Award is recommended based on past and present performance." In addition, personnel from the National Industries for the Severely Handicapped have inspected the workshop's Interlake facility and verified that the workshop is capable of producing the clamps.

The commenter in challenging the workshop's capability to produce the clamps provided data which he alleged substantiated his contention that the estimated annual quantities provided by the central nonprofit agency were understated. In a chart, he listed the quantities procured by the Government during a six year period and the average annual quantity *when procured* by the Government rather than the average annual quantity based on the period covered by the data.

The estimated annual requirement for the clamps that was provided by the central nonprofit agency was based on the most recent procurements for the clamps. The six clamps are procured

sporadically with no procurements of an individual clamp for one or more years and then, procurements of varying quantities in two or three consecutive years.

In the last six years, there has not been an annual period where all six clamps were purchased. Based on the records provided by the commenter, the maximum total quantity of the six clamps procured in any year was 318,000. In one year, a quantity of only 100 clamps was purchased. In 1987, only four of the six clamps were purchased.

The workshop has confirmed that it can produce 60,000 clamps a month on a one-shift basis, or 720,000 a year. It has indicated that it is willing and capable of adding a second and third shift to increase its productive capability, if necessary. The capability of the workshop to produce these clamps exceeds substantially the quantities procured by the Government in any of the last six years. The workshop's ability to increase its production provides a capability that would exceed the expected requirements of the Government even in national emergency situations.

Regarding the issue raised by the commenter that the clamps are included under the Defense Industrial Preparedness Program, there is no requirement that a contractor agree to produce at the levels established for planned producers under that program. However, the workshop has expressed its willingness to become a planned producer for these items if requested to do so by the procuring agency.

Based on the above, the Committee has determined that the workshop is capable of producing the clamps in compliance with the Government's requirements.

Fair Market Price

The commenter alleged that the workshop could not produce the clamps at the fair market prices established by the Committee due to the low productivity of the workers and the fluctuating volumes procured by the Government. In addition, the commenter challenged the Committee's fair market price determination on the basis that bids of distributors were used in that determination. He also contended that the fair market price should be the most recent award price for the item involved.

Under the Committee's Act, the Committee has the responsibility for determining "fair market prices" for commodities and services on the Procurement List (41 U.S.C. 47(b)). The Committee considers that the reasonable bids received by the Government for the item under consideration are the best measure of the market for that item. Under its long standing pricing policy, the Committee determines the initial fair market prices for items being added to the Procurement List, which had been recently procured by the Government, based on the median of the reasonable bids which were received on the most recent procurement, or the award price increased by 5%, whichever is greater. Thus, the workshop is not required to produce these clamps at the most recent award prices.

The contention that prices of distributors (dealers) should not be used in the Committee's fair market price determination is considered irrelevant since the bids are submitted by the firms with the full intention and anticipation of receiving a contract for the item.

Based on the preceding, the prices established by the Committee are considered to be reflective of the market for the clamps and are fair market prices within the policies and procedures of the Committee.

Regarding the workshop's capability to produce the clamps at the fair market prices established by the Committee, the workshop has successfully produced four of the six clamps under competitive contracts, and has provided assurances of its ability to manufacture the six clamps at the fair market prices established by the Committee.

Benefits to Handicapped in Workshops

The commenter alleged that the addition of the clamps to the Procurement List will increase the cost to the Government without commensurate benefits to the handicapped. The legislative history of Public Law 92-28 recognizes that the primary purpose of the Act is to create job opportunities for blind and other severely handicapped individuals and to assist in the rehabilitation of those individuals through work (House Report No. 92-228, May 25, 1971). The Act also assigns to the Committee the responsibility for establishing the fair market price for commodities and services on its Procurement List. If a proposed addition to the Procurement List will create work for blind or other severely handicapped individuals, and the proposed price meets the Committee's criteria as a fair market price, there is no requirement for the Committee to try to balance the trade-off between any added costs to the Government against the opportunities for the employment of blind or other severely handicapped persons. The workshop has indicated that the production required to manufacture the six clamps will provide full-time employment for over seven individuals. Thus, the production of these clamps clearly meets the purpose of Pub. L. 92-28 of providing the opportunity for the employment of a significant number of severely handicapped individuals.

Impact on Current Contractor

The commenter indicated that the addition of the clamps to the Procurement List would impair his firm's ability to be competitive for the items involved and would provide an unfair advantage to the workshop in competing for the other items not on the Procurement List. Regarding the latter point, the workshop would have no greater advantage in competing for an item than any other firm that was producing similar items under contract. Regarding the first allegation, the paramount issue is whether or not the addition of the six clamps to the Procurement List would severely impact the current contractor. The commenter's firm is the most recent contractor for five of the six clamps under consideration, with the workshop being the current contractor for the remaining clamp. The value of the commenter's firms contracts for the five clamps is about $89,200 which represents about 1.5% of its annual sales of about $6,000,000. This is not considered to be serious impact.

Compliance With Administrative Procedure Act

The commenter contends that the Committee did not comply with the Administrative Procedure Act since it did not state in its notices of proposed rulemaking what underlying bases and data it will rely upon in deciding if the clamps are suitable for addition to the Procurement List. He further contends that the Committee should have provided him information specifying the operations which handicapped employees would be performing, the nature of their handicaps, their productivity, actual wages and other data regarding the workshop's compliance with the Committee's requirement that it have in place a placement program for severely handicapped employees, its ability to meet labor requirements and its relationships with suppliers and commercial firms. He contends that the Committee, because it did not require data of this type to be provided to it, does not have an adequate basis to determine the suitability of adding the items to the Procurement List. He related that in another case on a writing paper pad, the Committee required a cost breakdown for that item.

While a disclosure of technical basis in the notice of proposed rulemaking may be appropriate in complex technological rulemaking such as the nuclear safety case the commenter cites, the Administrative Procedure Act is satisfied if the notice contains the terms of the proposed rule. 5 U.S.C. 553(b)(3). The notices contain these terms: a recitation that if the rule is adopted, all Federal agencies will be required to purchase the clamps from workshops for the blind or other severely handicapped.

The Committee has provided to the commenter all records used in determining the suitability of these clamps for addition to the Procurement List which it is legally required to disclose under the Freedom of Information Act. Since February 1987, the Committee has not required the types of additional information which the commenter contends it should review and disclose. It considers that the data that it has required and relied on is sufficient for it to determine the suitability of the addition of the clamps to the Procurement List.

The instance referenced by the commenter regarding the cost breakdown for a paper pad item occurred because a portion of the Government's requirements for the item under consideration was already produced by a workshop under the Committee's program. Committee procedures require that the fair market price, in situations of that type, be determined by averaging the fair market price determined under the Committee's initial fair market pricing procedure and workshop costs. Consequently, a cost breakdown for the item was necessary and required.

Conclusion

The Committee has determined that the workshop is capable of producing the six clamps at the fair market prices determined in accordance with the Committee's pricing policy, the workshop meets the definition of a qualified nonprofit agency for the blind under the Javits-Wagner-O'Day Act, the addition of the clamps to the Procurement List will not have a serious adverse impact on the contractor for the clamps, the addition is in compliance with the Committee's Act, regulations and procedures, and the Committee's actons are in compliance with the Administrative Procedure Act.

After consideration of the relevant matter presented, the Committee has determined that the six clamps are suitable for procurement by the Federal Government under Public Law 92–28, 85 Stat. 77 (1971) (41 U.S.C. 46–48c), and 41 CFR 51–2.6.

I certify that the following actions will not have a significant impact on a substantial number of small entities. The major factors considered were:

a. The actions will not result in any additional reporting, recordkeeping or other compliance requirements.

b. The actions will not have a serious economic impact on any contractors for the commodities listed.

c. The actions will result in authorizing small entities to produce the commodities procured by the Government.

Accordingly, the following commodities are hereby added to Procurement List 1988:

Clamp, Loop
5340–00–103–2945
5340–00–104–5060
5340–00–500–0403
5340–00–254–5025
5340–01–156–5483
5340–00–375–2091

E.R. Alley, Jr.,

Acting Executive Director.

[FR Doc. 88–13869 Filed 6–17–88; 8:45 am]

BILLING CODE 6820–33–M

DEPARTMENT OF DEFENSE

Department of the Navy

Naval Research Advisory Committee; Closed Meeting

Pursuant to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.), notice is hereby given that the Naval Research Advisory Committee will meet July 11–15 and July 18–22, 1988, at the Applied Physics Laboratory, University of Washington, Seattle, Washington. Sessions of the meeting will commence at 8:00 a.m. and terminate at 5:00 p.m. on all days. All sessions of the meeting will be closed to the public.

The purpose of the meeting is to discuss basic and advanced research. The agenda for the meeting will include briefings and presentations pertaining to Superconductivity; Importance of Environmental Data; and Automation of Ship Systems and Equipment. These briefings and presentations contain information that is specifically authorized under criteria established by Executive order to be kept secret in the interest of national defense and is in fact properly classified pursuant to such Executive order. The classified and nonclassified matters to be discussed are so inextricably intertwined as to preclude opening any portion of the meeting. Accordingly, the Secretary of the Navy has determined in writing that the public interest requires that all sessions of the meeting be closed to the public because they will be concerned with matters listed in section 552b(c)(1) of Title 5, United States Code.

For further information concerning this meeting contact: Commander L.W. Snyder, U.S. Navy, Office of Naval Research, 800 Quincy Street, Arlington, VA 22217–5000.

Dated: June 15, 1988.

David A. Guy,

Commander, JAGC, U.S. Navy, Alternate Federal Register Liaison Officer.

[FR Doc. 88–13798 Filed 6–17–88; 8:45 am]

BILLING CODE 3810–AE–M

DEPARTMENT OF EDUCATION

Invitation of Applications for New Awards Under the Demonstration Centers for the Retraining of Dislocated Workers Program (Demonstration Centers) for Fiscal Year 1988 (CFDA No. 84.193)

Purpose: To provide assistance to establish demonstration centers to retrain dislocated workers in order to demonstrate the applicability of general theories of vocational education to the specific problems of retraining displaced workers.

Deadline for Transmittal of Applications: September 16, 1988.

Deadline for Intergovernmental Review Comments: October 16, 1988.

Applications Available: July 8, 1988.

Available Funds Anticipated: $431,000.

Estimated Average Size of Awards: $431,000.

Estimated Number of Awards: 1.

Project Period: Up to 24 months.

Invitational Priority: Under 34 CFR 75.105(c)(1), the Secretary invites applications from community colleges having existing dislocated worker training programs for a project to establish and operate a demonstration center for the retraining of dislocated workers in which there is significant State, local, and/or private sector involvement, commitment, and support, and for which materials describing the establishment and operations of the project will be prepared, as appropriate, for dissemination to other dislocated worker training centers. Applications that meet this invitational priority will not receive a competitive or absolute preference over other applications that do not meet this priority.

Criteria for Evaluating Applications: The Secretary assigns the fifteen points, reserved in 34 CFR 411.30(b), to the selection criterion (h)—Private Sector

Involvement—in 34 CFR 411.31(h) for a total of 20 points for that criterion.

Applicable Regulations: (a) The regulations in 34 CFR Parts 400 and 411; and (b) the Education Department General Administrative Regulations (EDGAR) in 34 CFR Part 74 (Administration of Grants), Part 75 (Direct Grant Program), Part 77 (Definitions That Apply to Department Regulations), Part 78 (Education Appeal Board), and Part 79 (Intergovernmental Review of Department of Education Programs and Activities).

Other Information: An award will be made through a cooperative agreement that gives the Department a significant role in monitoring the entire course of the project.

For Applications or Information Contact: Paul R. Geib, Jr., National Projects Branch, Division of Innovation and Development, Office of Vocational and Adult Education, U.S. Department of Education, 400 Maryland Avenue, SW. (Room 519, Reporters Building), Washington, DC 20202–5516. Telephone (202) 732–2359.

Program Authority: 20 U.S.C. 2415.

Dated: June 10, 1988.

Bonnie Guiton,

Assistant Secretary for Vocational and Adult Education.

[FR Doc. 88–13785 Filed 6–17–88; 8:45 am]

BILLING CODE 4000–01–M

DEPARTMENT OF ENERGY

Economic Regulatory Administration

[ERA Docket No. 86–62–NG]

Ocean State Power; Conditional Authorization To Import Natural Gas

AGENCY: Economic Regulatory Administration, Department of Energy.

ACTION: Order Granting Conditional Authorization To Import Natural Gas from Canada and Granting Interventions.

SUMMARY: The Economic Regulatory Administration (ERA) of the Department of Energy (DOE) gives notice that it has issued a conditional order to Ocean State Power (Ocean State) granting authorization to import natural gas from Canada to the U.S. The conditional order authorizes Ocean State to import up to 100,000 Mcf per day of Canadian natural gas from ProGas Limited over a 20-year period beginning on the date of first delivery. The order is conditioned upon review by the DOE of the final Environmental Impact Statement on Ocean State's power plant construction and Tennessee Gas Pipeline Company's pipeline facilities currently being prepared by the Federal Energy Regulatory Commission, and completion by DOE of its National Environmental Policy Act responsibilities.

A copy of this order is available for inspection and copying in the Natural Gas Division Docket Room, GA–076, Forrestal Building, 1000 Independence Avenue SW., Washington, DC 20585, (202) 586–9478. The docket room is open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except holidays.

Issued in Washington, DC, June 13, 1988.

Constance L. Buckley,

Acting Director, Office of Fuels Programs, Economic Regulatory Administration.

[FR Doc. 88–13834 Filed 6–17–88; 8:45 am]

BILLING CODE 6450–01–M

Federal Energy Regulatory Commission

[Project Nos. 1510–001 and 2677–002]

Availability of Environmental Assessments and Findings of No Significant Impact; City of Kaukauna, WI

June 15, 1988.

In accordance with the National Environmental Policy Act of 1969, the Office of Hydropower Licensing, Federal Energy Regulatory Commission (Commission), has reviewed the applications for major license listed below and has assessed the environmental impacts of each of the proposed developments.

MAJOR LICENSE APPLICATIONS

Project No.	Project name	State	Water body	Town or nearest county	Applicant
1510–001	Kaukauna Hydro Project	Wisconsin	Fox River	Kaukauna	City of Kaukauna, WI.
2677–002	Badger-Rapide Croche Hydro Project.	do	do	do	Do.

An Environmental Assessment (EA) was prepared for each of the above proposed projects. Based on independent analysis of the above actions as set forth in each EA, the Commission's staff concludes that these projects would not have significant effects on the quality of the human environment. Therefore, an environmental impact statement for these projects will not be prepared. Copies of each EA are available for review in the Commission's Division of Public Information, Room 1000, 825 North Capitol Street NE., Washington, DC 20426.

Lois D. Cashell,

Acting Secretary.

[FR Doc. 88–13845 Filed 6–17–88; 8:45 am]

BILLING CODE 6717–01–M

[Docket No. RE88–1–000]

Kansas Gas and Electric Co.; Application for Exemption

June 15, 1988.

Take notice that Kansas Gas and Electric Company (KG&E) filed an application on May 13, 1988 for exemption from requirements of Part 290 of the Federal Energy Regulatory Commission's (Commission) regulations concerning collection and reporting of cost of service information under section 133 of the Public Utility Regulatory Policies Act, Order No. 48 (44FR58687, October 11, 1979). Exemption is sought from the requirement to file on or prior to June 30, 1988 and biennially thereafter, information on the costs of providing electric service as specified in Subparts B, C, D, and E of Part 290. In addition, KG&E requests a waiver of the requirement that an application shall be filed "no less than 18 months prior to the time the information would otherwise be required" (section 290.601(a)).

Copies of the application for exemption are on file with the Commission and are available for public inspection. The Commission's regulations require that said utility also apply to any state regulatory authority having jurisdiction over it to have the application published in any offical state publication in which electric rate change applications are usually noticed, and that the utility publish a summary of the application in newspapers of general circulation in the affected jurisdiction.

Any person desiring to present written views, arguments, or other comments on

the application for exemption should file such information with the Federal Energy Regulatory Commission, 825 North Capital Street, NW., Washington, DC 20426, on or before 45 days following the date this notice is published in the Federal Register. Within that 45 day period, such person must also serve a copy of such comments on: Mr. Robert F. Oakes, Manager of Rates, Kansas Gas and Electric Company, P.O. Box 208, Wichita, Kansas.

Lois D. Cashell,

Acting Secretary.

[FR Doc. 88-13846 Filed 6-17-88; 8:45 am]

BILLING CODE 6717-01-M

Office of Fossil Energy

Inventories & Storage Task Group, Coordinating Subcommittee on Petroleum Storage & Transportation, National Petroleum Council; Open Meeting

Notice is hereby given of the following meeting:

Name: Inventories & Storage Task Group of the Coordinating Subcommittee on Petroleum Storage & Transportation of the National Petroleum Council.

Date and Time: Wednesday, July 13, 1988, 1:00 PM; Thursday, July 14, 1988, 9:00 AM.

Place: Chevron U.S.A., Inc., Conference Room 314-18, 575 Market Street, San Francisco, CA.

Contact: Margie D. Biggerstaff, U.S. Department of Energy, Office of Fossil Energy (FE-1), Washington, DC 20585, Telephone: 202/586-4695.

Purpose of the Parent Council

To provide advice, information, and recommendations to the Secretary of Energy on matters relating to oil and gas or the oil and gas industries.

Purpose of the Meeting

Discuss surveys and progress on assignments.

Tentative Agenda

—Opening remarks by Chairman and Government Cochairman
—Discuss surveys of inventories and storage capacity
—Review progress on individual assignments
—Discuss any other matters pertinent to the overall assignment from the Secretary of Energy

Public Participation

The meeting is open to the public. The Chairman of the Inventories & Storage Task Group is empowered to conduct the meeting in a fashion that will, in his judgment, facilitate the orderly conduct of business. Any member of the public who wishes to file a written statement with the Task Group will be permitted to do so, either before or after the meeting. Members of the public who wish to make oral statements pertaining to agenda items should contact Ms. Margie D. Biggerstaff at the address or telephone number listed above. Requests must be received at least 5 days prior to the meeting and reasonable provisions will be made to include the presentation on the agenda.

Summary minutes of the meeting will be available for public review at the Freedom of Information Public Reading Room, Room 1E-190, DOE Forrestal Building, 1000 Independence Avenue, SW., Washington, DC, between the hours of 9:00 a.m. and 4:00 p.m., Monday through Friday, except Federal holidays.

J. Allen Wampler,

Assistant Secretary, Fossil Energy.

[FR Doc. 88-13835 Filed 6-17-88; 8:45 am]

BILLING CODE 6450-01-M

Liquids Transportation Task Group, Coordinating Subcommittee on Petroleum Storage & Transportation, National Petroleum Council; Open Meeting

Notice is hereby given of the following meeting:

Name: Liquids Transportation Task Group, Coordinating Subcommittee on Petroleum Storage & Transportation of the National Petroleum Council.

Date and Time: Tuesday, July 19, 1988, 10:00 AM.

Place: The Hyatt Regency O'Hara, North Central Room, 9300 West Bryn Mawr, Rosemont, IL.

Contact: Margie D. Biggerstaff, U.S. Department of Energy, Office of Fossil Energy (FE-1), Washington, DC 20585, Telephone: 202/586-4695.

Purpose of the Parent Council

To provide advice, information, and recommendations to the Secretary of Energy on matters relating to oil and gas or the oil and gas industries.

Purpose of the Meeting

Discuss pipeline survey and progress on individual assignments.

Tentative Agenda

—Opening remarks by Chairman and Government Cochairman
—Discuss the pipeline survey
—Review progress on individual assignments
—Discuss any other matters pertinent to the overall assignment from the Secretary of Energy

Public Participation

The meeting is open to the public. The Chairman of the Task Group is empowered to conduct the meeting in a fashion that will, in his judgment, facilitate the orderly conduct of business. Any member of the public who wishes to file a written statement with the Task Group will be permitted to do so, either before or after the meeting. Members of the public who wish to make oral statements pertaining to agenda items should contact Ms. Margie D. Biggerstaff at the address or telephone number listed above. Requests must be received at least 5 days prior to the meeting and reasonable provisions will be made to include the presentation on the agenda.

Summary minutes of the meeting will be available for public review at the Freedom of Information Reading Room, Room 1E-190, DOE Forrestal Building, 1000 Independence Avenue, SW., Washington, DC., between the hours of 9:00 AM and 4:00 PM Monday through Friday, except Federal holidays.

J. Allen Wampler,

Assistant Secretary, Fossil Energy.

[FR Doc. 88-13836 Filed 6-17-88; 8:45 am]

BILLING CODE 6450-01-M

ENVIRONMENTAL PROTECTION AGENCY

[OPTS-51706A; FRL-3399-7]

Certain Chemical Premanufacture Notice; Correction.

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice; correction.

SUMMARY: This notice announces receipt of three premanufacture notices that were inadvertantly misstated in the Federal Register of May 26, 1988 (53 FR 19030).

FOR FURTHER INFORMATION CONTACT: Wendy Cleland-Hamnett,

Premanufacture Notice Management Branch, Chemical Control Division (TS–794), Office of Toxic Substances, Environmental Protection Agency, Rm. E–611, 401 M Street SW., Washington, DC 20460, (202) 382–3725.

DATES: Close of Review Period: P 88–1276, P 88–1277, P 88–1278, July 31, 1988.

SUPPLEMENTARY INFORMATION: In the FR Doc. 88–11841 appearing in the **Federal Register** of May 26, 1988 (53 FR 19030) the following information for P 88–1276, P 88–1277, and P 88–1278 was inadvertantly misstated in (OPTS–51706) and is corrected to read as follows:

P 88–1276

Manufacturer. BioTechnica Agriculture, Inc.

Microorganism. (G) Genetically engineered microorganism, Parent strain: *Bradyrhizobium japonicum* strain USDA 110; Introduced genes: Kanamycin/neomycin resistance gene originated from *Klebsiella pneumoniae.*

Use/Production. (G) Two small scale field trials: (1) To determine the effect of insertion of the marker genes on competition and symbiotic performance under field conditions; (2) To compare different methods of applying *B. japonicum* to soybean seeds. Production range: 4×10^{12} cells per year.

Test data. The wet weight of soybean plants infected with this PMN strain were 6.7% lower than soybean plants infected with the parent strain after 3 weeks of growth in a greenhouse.

Exposure. Human: Production and field application, maximum of 8 people.

Environmental release. Production and disposal: Cultures sterilized before disposal in publically owned treatment works, soil and possible groundwater release at field site. *Small-scale field trial:* The microorganisms will be applied directly to the soybean seed prior to planting. The field test plot will be about one acre. The field trial will be conducted in two locations: (1) A 100 acre field at BioTechnica's Chippewa Agricultural Station near Arkansaw in Pepin County, Wisconsin and (2) a 77 acre site at McAllister Seed Company's facilities near Mount Pleasant in Henry County, Iowa.

P 88–1277

Manufacturer. BioTechnica Agriculture, Inc.

Microorganism. (G) Genetically engineered microorganism, Parent strain: *Bradyrhizobium japonicum* isolated from Chippewa station in Pepin County, Wisconsin; Introduced genes: Streptomycin/spectinomycin resistance gene originated from *Shigella flexneri* and termination sequences from *Escherichia coli.*

Use/Production. (G) Two small scale field trials: (1) To determine the effect of insertion of the marker genes on competition and symbiotic performance under field conditions; (2) To compare different methods of applying *B. japonicum* to soybean seeds. Production range: 4×10^{12} cells per year.

Test data. The wet weight of soybean plants infected with this PMN strain were 9.0% lower than soybean plants infected with the parent strain after 3 weeks of growth in a greenhouse.

Exposure. Human: Production and field application, maximum of 8 people.

Environmental: Studies of survival in field soil indicate the log cell number per gram of soil decreased from 7.2 to 6.6 over six weeks in McAllister soil and 7.2 to 6.0 over six weeks in Chippewa soil.

Environmental release. Production and disposal: Cultures sterilized before disposal in publically owned treatment works, soil and possible groundwater release at field site. *Small-scale field trial:* The microorganisms will be applied directly to the soybean seed prior to planting. The field test plot will be about one acre. The field trial will be conducted in two locations: (1) A 100 acre field at BioTechnica's Chippewa Agricultural Station near Arkansaw in Pepin County, Wisconsin and (2) a 77 acre site at McAllister Seed Company's facilities near Mount Pleasant in Henry County, Iowa.

P 88–1278

Manufacturer. BioTechnica Agriculture, Inc.

Microorganism. (G) Genetically engineered microorganism, Parent strain: *Bradyrhizobium japonicum* isolated from Chippewa station in Pepin County, Wisconsin; Introduced genes: Kanamycin/neomycin resistance gene originated from *Klebsiella pneumoniae.*

Use/Production. (G) Two small scale field trials: (1) To determine the effect of insertion of the marker genes on competition and symbiotic performance under field conditions; (2) To compare different methods of applying *B. japonicum* to soybean seeds. Production range: 4×10^{12} cells per year.

Test data. The wet weight of soybean plants infected with this PMN strain were 8.0% lower than soybean plants infected with the parent strain after 3 weeks of growth in a greenhouse.

Exposure. Human: Production and field application, maximum of 8 people.

Environmental release. Production and disposal: Cultures sterilized before disposal in publically owned treatment works, soil and possible groundwater release at field site. *Small-scale field trial:* The microorganisms will be applied directly to the soybean seed prior to planting. The field test plot will be about one acre. The field trial will be conducted in two locations: (1) A 100 acre field at BioTechnica's Chippewa Agricultural Station near Arkansaw in Pepin County, Wisconsin and (2) a 77 acre site at McAllister Seed Company's facilities near Mount Pleasant in Henry County, Iowa.

Date: June 13, 1988.

Steve Newburg-Rinn,

Acting Chief, Public Data Branch, Information Management Division, Office of Toxic Substances.

[FR Doc. 88–13818 Filed 6–17–88; 8:45 am]

BILLING CODE 6560–50–M

FEDERAL COMMUNICATIONS COMMISSION

[Report No. FM RM–6]

Window Notice for the Filing of FM Broadcast Applications

June 8, 1988.

NOTICE is hereby given that applications for vacant FM Broadcast allotment [1] listed below may be submitted for filing during the period beginning June 8, 1988 and ending July 11, 1988 inclusive. Selection of a permittee from a group of acceptable applicants will be by the Comparative hearing process.

Channel	City	State
230A	Rogersville	Alabama

H. Walker Feaster III,

Acting Secretary, Federal Communications Commission.

[FR Doc. 88–13568 Filed 6–17–88; 8:45 am]

BILLING CODE 6712–01–M

Applications for Consolidated Hearing; Valmedia, Inc., et al.

1. The Commission has before it the following mutually exclusive applications for a new FM station:

[1] This allotment was authorized in MM Docket No. 86–36.

Applicant, City and State	File No.	MM Docket No.
A. Valmedia, Inc., Fort Valley, GA.	BPH-860918MD...	88-265
B. Bernard A. O'Neil, Fort Valley, GA.	BPH-860918OI.....	
C. Christian FM Application Partnership, Fort Valley, GA.	BPH-860918OU ...	
D. Holy Spirit FM Partnership, Fort Valley, GA.	BPH-860918OF....	

2. Pursuant to section 309(e) of the Communications Act of 1934, as amended, the above applications have been designated for hearing in a consolidated proceeding upon the issues whose headings are set forth below. The text of each of these issues has been standardized and is set forth in its entirety under the corresponding headings at 51 FR 19347, May 29, 1986. The letter shown before each applicant's name, above, is used below to signify whether the issue in question applies to that particular applicant.

Issue Heading and Applicants

1. (See Appendix), C, D
2. Environmental, A
3. Air Hazard, C, D
4. Comparative, All
5. Ultimate, All

3. If there is any non-standardized issue in this proceeding, the full text of the issue and the applicant to which it applies are set forth in an Appendix to this Notice. A copy of the complete HDO in this proceeding is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street NW., Washington DC. The complete text may also be purchased from the Commission's duplicating contractor, International Transcription Services, Inc., 2100 M Street NW., Washington, DC 20037. (Telephone (202) 857-3800).

W. Jan Gay,

Assistant Chief, Audio Services Division, Mass Media Bureau.

Appendix

Additional Issue Paragraph

1. To determine whether the proposed settlement agreement between (C) Christian Fort Valley and (D) Spirit is in violation of 47 U.S.C. 311.

[FR Doc. 88-13575 Filed 6-17-88; 8:45 am]

BILLING CODE 6712-01-M

FEDERAL MARITIME COMMISSION

Agreement(s) Filed

The Federal Maritime Commission hereby gives notice of the filing of the following agreement(s) pursuant to section 5 of the Shipping Act of 1984.

Interested parties may inspect and obtain a copy of each agreement at the Washington, DC Office of the Federal Maritime Commission, 1100 L Street, NW., Room 10325. Interested parties may submit comments on each agreement to the Secretary, Federal Maritime Commission, Washington, DC 20573, within 10 days after the date of the **Federal Register** in which this notice appears. The requirements for comments are found in § 572.603 of Title 46 of the Code of Federal Regulations. Interested persons should consult this section before communicating with the Commission regarding a pending agreement.

Agreement No.: 202-002744-062.
Title: Atlantic and Gulf/West Coast of South America Conference.
Parties:
Compania Chilena De Navigacion Interoceania, S.A.
Lykes Bros. Steamship Co., Inc.
Compania Peruana De Vapores
Naviera Neptuno, S.A.
Compania Sud Americana De Vapores
Lineas Navieras Bolivianas, S.A.M.
Synopsis: The proposed amendment would conform the agreement to the Commission's requirements concerning Docket No. 86-16, service contract provisions.

Agreement No.: 202-007540-050.
Title: United States Atlantic and Gulf/Southeastern Caribbean Conference.
Parties:
Puerto Rico Maritime Shipping Authority
Sea-Land Service, Inc.
Shipping Corporation of Trinidad and Tobago Ltd.
Synopsis: The proposed amendment would conform the agreement to the Commission's requirements concerning Docket No. 86-16, service contract provisions.

Agreement No.: 202-007590-048.
Title: United States/Columbia Conference.
Parties:
Crowley Caribbean Transport, Inc.
CTMT, Inc.
Flota Mercante Grancolombia, S.A.
Lykes Bros. Steamship Co., Inc.
Synopsis: The proposed amendment would delete Crowley Caribbean Transport, Inc. as a party. It would also conform the agreement to the Commission's requirements concerning Docket No. 86-16, service contract provisions.

Agreement No.: 202-007680-068.
Title: American West African Freight Conference.
Parties:
America-Africa-Europe Line GMBH
Barber West Africa Line
Farrell Lines, Inc.
Maersk Line
Societe Iviorienne De Transport Maritime, Sitram
Torm West Africa Line
Westwind Africa Line
Synopsis: The proposed amendment would conform the agreement to the Commission's requirements concerning Docket No. 86-16, service contract provisions.

Agreement No.: 202-008054-029.
Title: South and East Africa/U.S.A. Agreement.
Parties:
The Bank Line, Limited.
Lykes Bros. Steamship Co., Inc.
P&O Container Line
Safbank Line, Ltd. (Safbank)
Synopsis: The proposed amendment would conform the agreement to the Commission's requirements concerning Docket No. 86-16, service contract provisions.

Agreement No.: 202-009502-022.
Title: United States/South and East Africa Agreement.
Parties:
The Bank Line, Limited.
Lykes Bros. Steamship Co., Inc.
P&O Container Line
Safbank Line, Ltd. (Safbank)
Synopsis: The proposed amendment would conform the agreement to the Commission's requirements concerning Docket No. 86-16, service contract provisions.

Agreement No.: 202-010390-016.
Title: United States Atlantic and Gulf/Ecuador Freight Association.
Parties:
Crowley Caribbean Transport, Inc.
Lykes Bros. Steamship Co., Inc.
Ecuadorian Line, Inc.
Synopsis: The proposed amendment would conform the agreement to the Commission's requirements concerning Docket No. 86-16, service contract provisions.

Agreement No.: 202-010424-016.
Title: United States Atlantic and Gulf Hispaniola Steamship Freight Association.
Parties:
Crowley Caribbean Transport, Inc./CTMT, Inc./Trailer Marine

Transport Corporation (As One Party)
Puerto Rico Maritime Shipping Authority
Sea-Land Service, Inc.
Shipping Corporation of Trinidad and Tobago, Ltd.

Synopsis: The proposed amendment would conform the agreement to the Commission's requirements concerning Docket No. 86–16, service contract provisions.

Agreement No.: 203–010999–002.
Title: Ecuador Discussion Agreement.
Parties:

Naviera Consolidada S.A.
United States Atlantic and Gulf/Ecuador Freight Association
Transportes Navieros Equatorianos

Synopsis: The proposed amendment would delete Naviera Consolidada S.A. and add Gran Golfo Express as a party to the agreement. The parties have requested a shortened review period.

Agreement No.: 203–011198.
Title: Puerto Rico/Caribbean Discussion Agreement.
Parties:

Hapag-Lloyd AG
Thos. & Jas. Harrison Ltd.
Nedlloyd Lines, B.V.
Compagnie Generale Maritime
Sea-Land Service, Inc.

Synopsis: The proposed agreement would authorize the parties to meet, discuss, and agree upon rates, service contracts, rules and service items in the trade between ports and points in Puerto Rico and ports and points in Aruba, Curacao, Trinidad, Jamaica, Haiti, Dominican Republic, Costa Rica, Honduras, Guatemala and El Salvador. Adherence to any agreement reached would be voluntary.

By Order of the Federal Maritime Commission.

Joseph C. Polking,

Secretary.

Dated: June 15, 1988.

[FR Doc. 88–13799 Filed 6–17–88; 8:45 am]

BILLING CODE 6730–01–M

FEDERAL RESERVE SYSTEM

BSB Bancorp, Inc., et al; Formations of; Acquisitions by; and Mergers of Bank Holding Companies

The companies listed in this notice have applied for the Board's approval under section 3 of the Bank Holding Company Act (12 U.S.C. 1842) and § 225.14 of the Board's Regulation Y (12 CFR 225.14) to become a bank holding company or to acquire a bank or bank holding company. The factors that are considered in acting on the applications are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Each application is available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing to the Reserve Bank or to the offices of the Board of Governors. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Unless otherwise noted, comments regarding each of these applications must be received not later than July 8, 1988.

A. **Federal Reserve Bank of New York** (William L. Rutledge, Vice President) 33 Liberty Street, New York, New York 10045:

1. *BSB Bancorp, Inc.*, Wilmington, Delaware; to become a bank holding company by acquiring 100 percent of the voting shares of Binghamton Savings Bank, Binghamton, New York, which operates a savings bank life insurance department. BSB Bancorp also holds all the shares of BSB Insurance Agency, which acts as agent or broker in the sale of life, casualty and property insurance.

B. **Federal Reserve Bank of Philadelphia** (Thomas K. Desch, Vice President) 100 North 6th Street, Philadelphia, Pennsylvania 19105:

1. *Comm. Bancorp, Inc.*, Forest City, Pennsylvania; to acquire 57 percent of the voting shares of The First National Bank of Nicholson, Nicholson, Pennsylvania.

2. *Keystone Financial, Inc.*, Harrisburg, Pennsylvania; to acquire 20 percent of the voting shares of Security National Bank, Pottstown, Pennsylvania, a *de novo* bank.

C. **Federal Reserve Bank of Cleveland** (John J. Wixted, Jr., Vice President) 1455 East Sixth Street, Cleveland, Ohio 44101:

1. *Fryburg Banking Company, Inc.*, Fryburg, Pennsylvania; to become a bank holding company by acquiring 100 percent of the voting shares of First United National Bank, Fryburg, Pennsylvania.

D. **Federal Reserve Bank of Richmond** (Lloyd W. Bostian, Jr., Vice President) 701 East Byrd Street, Richmond, Virginia 23261:

1. *Commonwealth Bankshares, Inc.*, Norfolk, Virginia; to become a bank holding company by acquiring 100 percent of the voting shares of Bank of the Commonwealth, Norfolk, Virginia.

E. **Federal Reserve Bank of Atlanta** (Robert E. Heck, Vice President) 104 Marietta Street, NW., Atlanta, Georgia 30303:

1. *CB&T Bancshares, Inc.*, Columbus, Georgia; to acquire 100 percent of the voting shares of Fort Rucker Bancshares, Inc., Chillicothe, Missouri, and thereby indirectly acquire Fort Rucker National Bank, Fort Rucker, Alabama.

2. *Eufaula Bankcorp, Inc.*, Eufaula, Alabama; to become a bank holding company by acquiring 100 percent of the voting shares of Eufaula Bank & Trust Company, Eufaula, Alabama.

F. **Federal Reserve Bank of Chicago** (David S. Epstein, Vice President) 230 South LaSalle Street, Chicago, Illinois 60690:

1. *Indiana National Corporation*, Indianapolis, Indiana; to merge with Morgan County Bancorp, Mooresville, Indiana, and thereby indirectly acquire The Morgan County Bank and Trust Company, Eminence, Indiana.

2. *Marshall & Ilsley Corporation*, Milwaukee, Wisconsin; to acquire 100 percent of the voting shares of Scottscom Bancorp, Inc., Scottsdale, Arizona, and thereby indirectly acquire Scottscom Bank, Scottsdale, Arizona.

3. *Old Kent Financial Corporation*, Grand Rapids, Michigan; to acquire 100 percent of the voting shares of Unibancorp, Inc., Chicago, Illinois, and thereby indirectly acquire UnibancTrust Company, Chicago, Illinois; UnibancTrust/Hawthorne, Wheaton, Illinois; and UnibancTrust/DuPage (presently chartered but inactive).

G. **Federal Reserve Bank of Kansas City** (Thomas M. Hoenig, Senior Vice President) 925 Grand Avenue, Kansas City, Missouri 64198:

1. *Capital Bancshares, Inc.*, Brookfield, Missouri; to acquire 97.5 percent of the voting shares of Cladwell County Bank, Hamilton, Missouri.

H. **Federal Reserve Bank of San Francisco** (Harry W. Green, Vice President) 101 Market Street, San Francisco, California 94105:

1. *Moore Financial Group Incorporated*, Boise, Idaho; to acquire 100 percent of the voting shares of Western Bank Holding Company, Bellevue, Washington, and thereby indirectly acquire First Western Bank, Bellevue, Washington.

Board of Governors of the Federal Reserve System, June 14, 1988.

William W. Wiles,

Secretary of the Board.

[FR Doc. 88–13788 Filed 6–17–88; 8:45 am]

BILLING CODE 6210–01–M

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. Once the notices have been accepted for processing, they will also 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 5, 1988.

A. **Federal Reserve Bank of Atlanta** (Robert E. Heck, Vice President) 104 Marietta Street, NW., Atlanta, Georgia 30303:

1. *Jordan E. Ginsburg*, Boca Raton, Florida; to acquire an additional 5.0 percent of the voting shares of First Commercial Bancorporation, Boca Raton, Florida, and thereby indirectly acquire shares of First Commercial Bank of Palm Beach County, Boca Raton, Florida.

B. **Federal Reserve Bank of Kansas City** (Thomas M. Hoenig, Senior Vice President) 925 Grand Avenue, Kansas City, Missouri 64198:

1. *A.G. Bond*, Kenneth W. Cox, Steven G. Bond, Michael D. Bond, and C. Renee Murray, all of Canton, Oklahoma; to acquire 50 percent of the voting shares of Canton BancShares, Inc., Canton, Oklahoma, and thereby indirectly acquire Community Bank of Canton, Oklahoma.

2. *Bettye C. Reid*, Pampa, Texas; to acquire an additional 0.42 percent of the voting shares of American Republic Bancshares, Inc., Belen, New Mexico, and thereby indirectly acquire shares of First National Bank of Belen, Belen, New Mexico.

Board of Governors of the Federal Reserve System, June 14, 1988.

William W. Wiles,

Secretary of the Board.

[FR Doc. 88-13789 Filed 6-17-88; 8:45 am]

BILLING CODE 6210-01-M

FEDERAL TRADE COMMISSION

Granting of Request for Early Termination of the Waiting Period Under the Premerger Notification Rules

Section 7A of the Clayton Act, 15 U.S.C. 18a, as added by Title II of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, requires persons contemplating certain mergers or acquisitions to give the Federal Trade Commission and the Assistant Attorney General advance notice and to wait designated periods before consummation of such plans. Section 7A(b)(2) of the Act permits the agencies, in individual cases, to terminate this waiting period prior to its expiration and requires that notice of this action be published in the **Federal Register.**

The following transactions were granted early termination of the waiting period provided by law and the premerger notification rules. The grants were made by the Federal Trade Commission and the Assistant Attorney General for the Antitrust Division of the Department of Justice. Neither agency intends to take any action with respect to these proposed acquisitions during the applicable waiting period:

TRANSACTIONS GRANTED EARLY TERMINATION BETWEEN: 5/31/88 AND 6/10/88

Name of acquiring person; name of acquired person; name of acquired entity	PMN No.	Date terminated
Cambridge Electronic Industries plc; N.V. Philips; certain subsidiaries of North American Philips Corp	88-1542	05/31/88
TCW Special Placements Fund II; Michael W. Wilsey; Wilsey Foods, Inc	88-1582	05/31/88
Canadian Occidental Petroleum Ltd; Southdown, Inc.; Moore McCormack Energy, Inc	88-1592	05/31/88
Mark IV Industries, Inc.; Cetec Corp.; Cetec Corp	88-1613	05/31/88
Sunstar Inc.; John O. Butler Co.; John O. Butler Co	88-1614	05/31/88
Peninsular & Oriental Steam Navigation Co.; LMB, Inc.; LMB, Inc	88-1622	05/31/88
Enserch Corp.; Royal Dutch Petroleum Co.; Shell Western E & P Inc	88-1632	05/31/88
Derby International Corp. S.A.; London International Group PLC; Royal Worcester Spode Inc	88-1684	05/31/88
Barclays PLC; Irving Bank Corp.; Irving Bank Corp	88-1701	05/31/88
Boral Limited; Warren Reed and Rita Sprinkel Living Trust; Fontana Paving, Inc	88-1671	06/01/88
Procordia AB; American Brands, Inc.; The American Tobacco Co	88-1500	06/03/88

TRANSACTIONS GRANTED EARLY TERMINATION BETWEEN: 5/31/88 AND 6/10/88—Continued

Name of acquiring person; name of acquired person; name of acquired entity	PMN No.	Date terminated
ITT Corporation; BICC plc; Sealectro Corp	88-1565	06/03/88
General Electric Co.; Artra Group Inc.; Ultrasonix, Inc	88-1579	06/03/88
B/S Investments; The Allen Group Inc.; The Allen Group Inc	88-1601	06/03/88
Lex Service PLC; Campbell Automotive Group, Inc.; Campbell Automotive Group, Inc	88-1631	06/03/88
Johnson Group Cleaners PLC; Dryclean U.S.A., Inc.; Dryclean U.S.A., Inc	88-1654	06/06/88
MagneTek, Inc.; The Ohio Transformer Corp.; Ohio Transformer Corp	88-1657	06/06/88
Fritz R. Kundrun; Pohang Iron & Steel Co., Ltd.; Tanoma Coal Company, Inc	88-1665	06/06/88
Prime Motor Inns, Inc.; EG Associates, a PA limited partnership [L.P.]; Luxury Development Associates, L.P	88-1673	06/06/88
Prime Motor Inns, Inc.; ACP Budget Associates, L.P.; Luxury Development Associates, L.P	88-1674	06/06/88
Prime Motor Inns, Inc.; 1985 ACP Budget Associates, L.P.; 1985 Luxury Development Associates, L.P	88-1675	06/06/88
Prime Motor Inns, Inc.; 1986 ACP Budget Associates, L.P.; 1986 Luxury Development Associates, L.P	88-1676	06/06/88
Bechtel Investments, Inc.; Transco Energy Co.; Petro Source Corp	88-1693	06/06/88
Daimler-Benz AG; Gould, Inc.; Gould, Inc	88-1697	06/06/88
LEP Group PLC; William R. Berkley; The National Guardian Corp	88-1698	06/06/88
William J. Stoecker; CNW Corp; Douglas Dynamics, Inc	88-1716	06/06/88
Wind Point Partners II, L.P.; George R. Lees; PBM Industries Inc	88-1719	06/06/88
Sahlen & Associates, Inc.; Hanson, PLC; Globe Security Systems, Inc	88-1722	06/06/88
Gulf+Western Inc.; Aetna Life and Casualty; Aetna Life and Casualty	88-1732	06/06/88
Leonard Tow; Voting Trust of the Providence Journal Co.; Michiana Metronet, Inc.; South Bend Metronet, Inc	88-1581	06/07/88
Marvin Josephson; Josephson International Inc.; Josephson International Inc	88-1706	06/07/88
C. Itoh & Co., Ltd.; Mazda Motor Corp.; Mazda Distributors (West), Inc	88-1725	06/07/88
Sumitomo Corp.; C. Itoh & Co., Ltd.; Mazda Motors of America (East), Inc	88-1726	06/07/88
PacifiCorp; Placid Oil Co.; Blacklake Pipeline Co	88-1727	06/07/88

TRANSACTIONS GRANTED EARLY TERMINATION BETWEEN: 5/31/88 AND 6/10/88—Continued

Name of acquiring person; name of acquired person; name of acquired entity	PMN No.	Date terminated
Sumitomo Corp.; Mazda Motor Corp.; Mazda Motors of America (East), Inc.	88-1730	06/07/88
Ford Motor Co.; BDM International, Inc.; BDM International, Inc.	88-1731	06/07/88
Ares-Serono S.A.; The Proctor & Gamble Co.; Baker Instruments Corp.	88-1734	06/07/88
C. Itoh & Co., Ltd.; Sumitomo Corp.; Mazda Distributors (West), Inc.	88-1752	06/07/88
JWP Inc.; University Industries, Inc.; University Industries, Inc.	88-1623	06/08/88
Crompton & Knowles Corp.; Ingredient Technology Corp.; Ingredient Technology Corp	88-1637	06/08/88
Siemens Aktiengesellschaft; Burdick Corp.; Burdick Corp	88-1616	06/09/88
Pacific Enterprises; Pay'n Save, Inc.; Pay'n Save, Inc.	88-1634	06/09/88
Humana Inc.; Maxicare Health Plans, Inc.; Maxicare Kentucky, Inc. and Maxicare San Antonio, Inc.	88-1642	06/09/88
Allied-Lyons PLC; River Oaks Agricorp; River Oaks Agricorp	88-1661	06/09/88
Enron Corp.; Tesoro Petroleum Corp.; Tesoro Crude Oil Co	88-1668	06/09/88
Del E. Webb Corp.; Nevada Casino Associates, Limited Partnership; Nevada Casino Associates, Limited Partnership	88-1688	06/09/88
CDI Corp.; James Bronce Henderson Residuary Trust; Detroit Center Tool, Inc.	88-1692	06/09/88
Dr. Michael Otto; General Mills, Inc.; Eddie Bauer, Inc.	88-1702	06/09/88
Edward P. Evans; Macmillan, Inc.; Macmillan Information Co., Inc	88-1710	06/09/88
All Nippon Airways Co., Ltd.; La Compagnie Nationale Air France; Tag-Arcon-Pioneer, Ltd	88-1717	06/09/88
Onset Corp.; Momentum Technologies, Inc.; Momentum Technologies, Inc.	88-1729	06/09/88
Budget Rent a Car Corp.; Budget Rent-A-Car of Washington-Oregon, Inc.; Budget Rent-A-Car of Washington-Oregon, Inc.	88-1564	06/10/88
Leonard Tow (Century Communications Corp.); Billy J. Parrott; Roanoke Valley Cellular Telephone Co	88-1567	06/10/88
Xerox Corp.; Datacopy Corp.; Datacopy Corp	88-1624	06/10/88
Highness Kosan Co., Inc.; Ronald L. Fenolio; Koko Marina Shopping Center	88-1740	06/10/88
Cawsl Corp.; Oxford First Corp.; Oxford First Corp	88-1757	06/10/88
Harry Weinberg; Alexander & Baldwin, Inc.; Alexander & Baldwin, Inc.	88-1778	06/10/88

FOR FURTHER INFORMATION CONTACT: Sandra M. Peay, Contact Representative, Premerger Notification Office, Bureau of Competition, Room 301, Federal Trade Commission, Washington, DC 20580, (202) 326-3100.

By direction of the Commission.

Emily H. Rock,

Secretary.

[FR Doc. 88-13793 Filed 6-17-88; 8:45 am]

BILLING CODE 6750-01-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Cancer Institute; Amended Notice of Meeting

Notice is hereby given to amend the public meeting notice for the recently formed National Research Council/National Academy of Sciences Committee on Dietary Guidelines Implementation, to be held Wednesday, July 6, which was published in the **Federal Register** (52 FR 20907) on June 7, 1988.

For those wishing to present written materials to the Committee, the deadline for submission of materials has been extended from June 17 through June 27. Materials should be sent to Lenora Moragne, Ph.D., or Paul Thomas, Ed.D., Dietary Guidelines Implementation Committee, National Academy of Sciences, 2101 Constitution Avenue NW., Room 340, Washington, DC 20418, (202) 334-2582.

Dated: June 16, 1988.

William F. Raub,

Acting Director, National Institutes of Health.

[FR Doc. 88-13952 Filed 6-17-88; 8:45 am]

BILLING CODE 4140-01-M

National Center for Nursing Research; Amended Notice of Meeting: Nursing Science Review Committee

Notice is hereby given of a change in the location of the Nursing Sciences Review Committee Meeting, National Center for Nursing Research, which was published in the **Federal Register** on May 31, 1988, (53 FR 19823).

The committee was to have convened on June 22-24 in Building 31A, Conference Room 2, National Institutes of Health, Bethesda, MD. The meeting will now be held, in Building 31C, Conference Room 10, on June 22, and in Building 31A, Conference Room 4, on June 23-24, 1988.

The meeting will be open to the public on June 22 from 9 a.m. to 11 a.m. and on June 24 from approximately 11 a.m. to adjournment. The other portions of the meeting will be closed for the review of applications.

Dated: June 16, 1988.

Betty J. Beveridge,

Committee Management, Officer, NIH.

[FR Doc. 88-13953 Filed 6-17-88; 8:45 am]

BILLING CODE 4140-01-M

Public Health Service

Health Resources and Services Administration

Availability of Funds for the National Health Service Corps Loan Repayment Program and Grants for State Loan Repayment Programs

AGENCY: Health Resources and Services Administration; Public Health Service.

ACTION: Notice.

SUMMARY: The Health Resources and Services Administration (HRSA) announces that it anticipates that up to $4 million will be available in Fiscal Year (FY) 1988 for awards for health professions educational loan repayment under the National Health Service Corps Loan Repayment Program, to include at least $1 million for grants to States to support the establishment of State programs similar to the National Health Service Corps Loan Repayment Program. Awards to be made under these loan repayment programs are authorized, respectively, by sections 338B and 338H of the Public Health Service Act, as amended by Pub. L. 100-177, enacted December 1, 1987. Awards for loan repayment are considered to be grants for Department administration purposes. The HRSA, through this notice, invites health professionals to apply for participation in the National Health Service Corps Loan Repayment Program and invites States to apply for grants to establish State Loan Repayment Programs. With these levels of funds, the HRSA estimates that approximately 48 loan repayment awards may be made under the National Health Corps Loan Repayment Program and up to 5-10 grants may be

awarded to States for their State Loan Repayment Programs.

It is the current plan of the Department that funding for the National Health Service Corps Loan Repayment Program be phased down over the first two years of operation under the current statutory authority and that communities totally rely on the Grants for State Loan Repayment Programs during the third year of operation of these programs. States should begin to develop State loan repayment programs to compete for future Federal funding for such programs.

Part A of this notice contains specific information concerning the National Health Service Corps Loan Repayment Program and Part B contains specific information concerning Grants for State Loan Repayment Programs. It is anticipated that interim final regulations concerning these two programs will be published in the future.

Part A—National Health Service Corps Loan Repayment Program

DATE: Potential applicants should request application packages by July 8, 1988. Completed applications, to receive consideration, must be hand delivered by 5:00 PM on Aug. 5, 1988 to the address below or be postmarked on or before Aug. 5, 1988 and received in time for orderly processing. Applicants should request a legibly dated U.S. Postal Service postmark or obtain a legibly dated receipt from a commercial carrier. Private metered postmarks shall not be acceptable as proof of timely mailing. Applications not submitted on time will be returned.

ADDRESS: Application material may be obtained by calling or writing, and completed applications should be returned to, Mr. Joseph Hayden, Director, Division of Health Services Scholarships, Bureau of Health Care Delivery and Assistance, HRSA, Room 7-34, 5600 Fishers Lane, Rockville, MD. 20857, (301-443-6354). The information collection requirements of this part of the notice have been submitted to the Office of Management and Budget (OMB) for approval under section 3507 of the Paperwork Reduction Act of 1980 (44 U.S.C. 3507).

FOR FURTHER INFORMATION CONTACT: Mr. Joseph Hayden, Director, Division of Health Services Scholarships, at the above address and phone number..

SUPPLEMENTARY INFORMATION: Pub. L. 100-177, the Public Health Service Amendments of 1987, amends section 338B of the Public Health Service Act, (42 U.S.C. 2541-1), authorizing the Secretary to establish the National Health Service Corps (NHSC) Loan Repayment Program, to help in assuring an adequate supply of trained health professionals for the NHSC. The NHSC is used by the Secretary to improve the delivery of health services to designated health manpower shortage areas.

The NHSC Loan Repayment Program will repay educational loans health professionals used to pay for their health education in amounts up to $20,000 per year for each year of obligated service, if an individual who is selected to participate in this program agrees to serve for either 3 or 4 years in a designated health manpower shortage area. If the service is performed in a health manpower shortage area serving Indian populations, up to $25,000 may be repaid for each year. The Secretary will annually identify those health manpower shortage areas which will be available for service repayment under the NHSC Loan Repayment Program. These areas for service under the NHSC Loan Repayment Program will be selected based on the needs of the area and priorities determined by the Secretary.

If a participant agrees to serve for only 2 years in a designated health manpower shortage area, the Secretary will repay up to a maximum of $13,333 per year of the health professions educational loans of such individual for each year of agreed service (up to $16,667 per year for service to Indian populations in specified sites). The loan repayment for a 2 year commitment is provided at a lower annual level as an incentive for program participants to make service commitments of 3 or 4 years.

The Secretary will select applicants for participation in the Loan Repayment Program according to the following selection criteria: consideration will be given to individuals whose training is in a health profession or specialty determined by the Secretary to be needed by the NHSC. From time to time, the Secretary will publish a notice detailing the professions and specialties most needed by the NHSC. Current professional and specialty priorities are outlined at the end of Part A of this notice. Consideration will be given to individuals who the Secretary determines are committed to serve in medically underserved areas. Consideration will be given to individuals according to the length of time which will be required before such individuals will be available for service. Thus, individuals who have a degree, have completed all necessary postgraduate training in their professions and specialty (i.e., in the case of physicians, are certified or eligible to sit for the certifying examinations of a specialty board), have a current and unrestricted valid license to practice their profession in a State, and are immediately available to serve, will receive highest consideration. Greater consideration will be given to persons who agree to serve for longer periods of time.

Applicants may be considered according to academic standing, prior professional experience in a primary care health manpower shortage area, board certification, residency achievements, peer recommendations, depth of past residency practice experience and other criteria related to professional competence or conduct.

Among applicants, priority will be given to those applicants whose health profession and specialty are most needed by the NHSC and who are committed to practice in a health manpower shortage area.

Health professionals from minority groups are particularly encouraged to apply under this program.

Eligible Applicants

To be eligible to participate in the National Health Service Corps Loan Repayment Program, an individual must: (a)(1) Be enrolled as a full-time student at an accredited school in a State, in the fiscal year of a course of study or program leading to a degree in allopathic or osteopathic medicine, dentistry, or other health profession or (2) be enrolled in an approved graduate training program in allopathic or osteopathic medicine, dentistry, or other health profession or (3) have a degree and have completed an approved graduate training program in allopathic or osteopathic medicine, dentistry, or other health profession, and have a current and valid license to practice such health profession in a State; (b) be eligible for appointment as a Commissioned Officer in the Regular or Reserve Corps of the Public Health Service or be eligible for selection for civilian service in the NHSC; (c) submit an application to participate in the NHSC Loan Repayment Program; and (d) sign and submit to the Secretary, at the time of the submission of such application, a written contract agreeing to accept repayment of educational loans and serve for the applicable period of obligated service in a health manpower shortage area as determined by the Secretary.

Any individual who, pursuant to an agreement, owes an obligation for health professional service to the Federal Government, a State Government, or other entity is ineligible to participate in

the NHSC Loan Repayment Program unless such obligation will be completely satisfied prior to the beginning of service under this program. Any individual who has breached an obligation for health professional service to the Federal Government, a State Government or other entity is ineligible to participate in the NHSC Loan Repayment Program.

No loan repayments will be made for any professional practice performed prior to the effective date of the NHSC Loan Repayment Program contract or while the provider is in professional school or an approved graduate training program.

Professions and specialties needed by the National Health Service Corps

At this time, the Secretary has determined that priority will be given to physicians who are certified or eligible to sit for the certifying examination of the following specialty boards: Family practice, osteopathic general practice, obstetrics/gynecology.

Other Award Information

This program is not subject to the provisions of Executive Order 12372, Intergovernmental Review of Federal Programs, since Executive Order 12372 does not cover payments to individuals.

The OMB *Catalog of Federal Domestic Assistance* number for this program is 13.162.

Part B—Grants for State Loan Repayment Programs

DATE: All interested States should request application packages by July 8, 1988. Completed aplications, to receive consideration, must be hand delivered by 5:00 PM on July 29, 1988 to the address below or postmarked by July 29, 1988 and delivered in time for orderly processing. Applicants should request a legibly dated U.S. Postal Service postmark or obtain a legibly dated receipt from a commercial carrier. Private metered postmarks shall not be acceptable as proof of timely mailing. Applications not submitted on time will be returned.

ADDRESS: Application materials may be obtained by calling or writing, and completed applications should be returned to, Special Projects Section, Bureau of Health Care Delivery and Assistance, Health Resources and Services Administration, 5600 Fishers Lane, Room 7–23, Rockville, Maryland 20857, (301) 443–3476. Application for these grants will be made on Form PHS–5161 with revised facesheet DHHS form 424, as approved by the Office of Management and Budget under control number 0348–0006.

FOR FURTHER INFORMATION CONTACT: Dr. Audrey Manley, Director, National Health Service Corps, Bureau of Health Care Delivery and Assistance, HRSA, 5600 Fishers Lane, Room 7A–39, Rockville, MD 20857, (301) 443–2900.

SUPPLEMENTARY INFORMATION: Pub. L. 100–177, the Public Health Service Amendments of 1987, amends the Public Health Service Act at section 338H, (42 U.S.C. 254–1), and authorizes the Secretary to establish a program of grants for State Loan Repayment Programs to help in assuring an adequate supply of trained health professionals for medically underserved areas.

For grants under this program, the Secretary may support up to a maximum of 75 percent of the costs of repayment of health profession educational loans under an approved State Loan Repayment Program.

The State share may be in the form of cash or other method of loan repayment. The State's share of the program may not consist of any Federal funds. No portion of the Federal or State share shall be used to pay for administrative or management costs of any State Loan Repayment Program.

Specific instructions for completing the application form for this program will be sent to any State requesting an application package.

The following criteria will be used in the evaluation of applications and awarding of State Loan Repayment Program grants: 1) The absolute and relative need of the State for health professions manpower; 2) the number and type of providers the State proposes to support; 3) the appropriateness of the proposed placement of providers; 4) the adequacy of the qualifications and administrative and managerial ability and experience of the State staff to administer and carry out the proposed project; 5) the suitability of the applicant's approach and of the applicant's plan for coordination of Federal, State and other programs for meeting the State's health professions manpower needs and resources, including an ongoing evaluation of the program's activities and the applicant's demonstrated ability to coordiante and integrate medical manpower financial aid programs with the development of systems for the delivery of primary care services to populations in need of such services; 6) the extent to which special consideration will be extended to medically underserved communities with large minority populations; and 7) the source and plans for use of the State match and the amount of the match relative to the needs and resources of the State.

No loan repayments may be made for any professional practice performed prior to the effective date of the health professional's State Loan Repayment Program contract and no credit will be given for any practice done while the provider is in a professional school or graduate training program.

Professions/Specialties Needed by Priority Health Manpower Shortage Areas

To be supported under this program the State Loan Repayment Program must identify State priorities for the selection of health professionals applying for loan repayment. At this time, the Secretary has determined that under the NHSC LRP priority will be given to physicians who are certified or eligible to sit for the certifying examination of the following specialty boards: Family practice, osteopathic general practice, and obstetrics/gynecology.

Other Award Information

This program is considered to be subject to the provisions of Executive Order 12372, Intergovernmental Review of Federal Programs and 45 CFR Part 100. Executive Order 12372 allows States/territories the option of setting up a system for reviewing applications from within their States for assistance under certain Federal programs. The application packages to be made available by DHHS (Form PHS–5161 with revised facesheet DHHS 424) will contain a listing of States which have chosen to set up a review system and will provide a point of contact in the States for that review. Since 60 days are allowed for this review, applicants are advised to discuss projects with and provide copies of their applications to contact points as early as possible. At the latest, an applicant should provide the application to the State for review at the same time it is submitted to the Regional Office.

The OMB *Catalog of Federal Domestic Assistance* number for this program is 13.165.

Dated: June 10, 1988.

David N. Sundwall,

Acting Administrator.

[FR Doc. 88–13829 Filed 6–17–88; 8:45 am]

BILLING CODE 4160–15–M

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[AK-966-4213-15; AA-6679-A2]

Alaska Native Claims Selection

In accordance with Departmental regulation 43 CFR 2650.7(d), notice is hereby given that the decision to issue conveyance (DIC) to Manokotak Natives Limited, notice of which was published in the **Federal Register** May 30, 1986, on page 32803, is modified as follows:

The paragraph beginning "in view of the foregoing* * *," is hereby modified to read:

In view of the foregoing, the surface estate of the following-described lands, selected pursuant to section 12(b) of ANCSA, containing approximately 3,080 acres, is considered proper for acquisition by Manokotak Natives Limited, and is hereby approved for conveyance pursuant to section 14(a) of the Alaska Native Claims Settlement Act:

Delete the following land description:

Seward Meridian, Alaska

T 14 S., R. 58 W. (Unsurveyed)
Secs. 27, 35 and 36.
Containing approximately 1,920 acres.
T 12 S., R. 60 W. (Unsurveyed)
Secs. 9 and 10
Containing approximately 1,280 acres.
Aggregating approximately 3,200 acres.

Add the following land description:

Seward Meridian, Alaska

T 14 S., R. 58 W. (Unsurveyed)
Secs. 35 and 36.
Containing approximately 1,280 acres.
T 12 S., R. 60 W (Unsurveyed)
Sec. 9;
Secs. 10 and 11, excluding Native allotment AA-7986.
Containing approximately 1,800 acres.
Aggregating approximately 3,080 acres.

Delete the following paragraphs:

Excluded from the above-described lands are the submerged lands up to the ordinary high water mark, beneath all nonnavigable rivers 3 chains wide (198 feet) and wider and nonnavigable lakes 50 acres and large which are meanderable according to the Bureau of Land Management 1973 Manual of Surveying Instructions.

There are no inland water bodies within the above-described lands considered to be navigable.

Add the following paragraph:

Excluded from the above-described lands are the submerged lands, if any, up to the ordinary high water mark, beneath streams 3 chains wide (198 feet) and wider, and lakes 50 acres and larger, which are meanderable according to the 1973 Bureau of Land Management Manual of Surveying Instructions, as modified by Departmental regulation 43 CFR 2650.5-1. These submerged lands will be identified at the time of survey.

The paragraph beginning "Manokotak Natives Limited has been reallocated * * *" is hereby modified to read:

Manokotak Natives Limited has been reallocated 10,420 acres of land pursuant to section 12(b) of ANCSA. Together with the lands herein approved, the total acreage conveyed or approved for conveyance is approximately 9,973 acres. The remaining entitlement of approximately 447 acres will be conveyed at a later date.

A notice of the modified DIC will be published once a week, for four (4) consecutive weeks, in the *Anchorage Times*. Copies of the modified DIC may be obtained by contacting the Bureau of Land Management, Alaska State Office, 701 C Street, Box 13, Anchorage, Alaska 99513.

Any party claiming a property interest which is adversely affected by the decision, an agency of the Federal government, or regional corporation, shall have until July 20, 1988, to file an appeal on the issue in the modified DIC. However, parties receiving service by certified mail shall have 30 days from the date of receipt to file an appeal. Appeals must be filed in the Bureau of Land Management Division of Conveyance Management (960), address identified above, where the requirements for filing an appeal may be obtained. Parties who do not file an appeal in accordance with the requirements in 43 CFR Part 4, Subpart E, shall be deemed to have waived their rights.

Except as modified, the decision, notice of which was given May 30, 1986, is final.

Mary B. Carter,
Acting Chief, Branch of Southwest Adjudication.

[FR Doc. 88-13769 Filed 6-17-88; 8:45 am]
BILLING CODE 4310-JA-M

[CO-940-88-4111-15; COC 45689]

Proposed Reinstatement; Colorado

Notice is hereby given that a petition for reinstatement of oil and gas lease COC 45689 for lands in Moffat County, Colorado, was timely filed and was accompanied by all the required rentals and royalties accuring from March 1, 1988, the date of termination.

The lessee has agreed to new lease terms for rentals and royalties at rates of $5.00 and 16⅔ percent, respectively.

The lessee has paid the required $500 administrative fee for the lease and has reimbursed the Bureau of Land Management for the estimated cost of this **Federal Register** notice.

Having met all the requirements for reinstatement of the lease as set out in section 31 (d) and (e) of the Mineral Lands Leasing Act of 1920, as amended, (30 U.S.C. 188), the Bureau of Land Management is proposing to reinstate the lease effective March 1, 1988, subject to the original terms and conditions of the lease and the increased rental and royalty rates cited above.

Questions concerning this notice may be directed to Joan Gilbert of the Colorado State Office at (303) 236-1772.

Evelyn W. Axelson,
Chief, Fluid Minerals Adjudication Section.

[FR Doc. 88-13802 Filed 6-17-88; 8:45 am]
BILLING CODE 4310-01-M

[AK-070-08-4213-21; F-85916]

Realty Action; Galena, AK

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of realty action.

SUMMARY: This notice of realty action proposes a ten year commercial lease on public lands on a portion of Dainty Island in the Yukon Rivr east of Galena, Alaska. This lease is for an unauthorized occupancy by Sidney Huntington since 1971, and construction of a fish processing facility.

DATE: Comments and an application must be received by July 20, 1988.

ADDRESSES: Comments and application must be submitted to the Kobuk District Manager, 1541 Gaffney Road, Fairbanks, Alaska 99703.

FOR FURTHER INFORMATION CONTACT: Cathie Jensen, (907) 356-5350.

SUPPLEMENTARY INFORMATION: Lands are suitable for leasing under the provisions of section 302 of the Federal Land Policy and Management Act of 1976, 43 U.S.C. 1732, 1740 and 43 CFR Part 2920. Lands are selected by the State of Alaska, who desires the unauthorized occupant be granted a lease prior to the lands being tentatively approved to the State.

Subject lands are approximately 2.5 acres located in N½NE¼, Sec. 21, T. 9 S., R. 13 E., Kateel River Meridian.

A determination must be made as to whether the proposed lease is within the flood plain. Appropriate action will be taken if the proposed lease area is within the flood plain.

An application will be accepted only from Sidney Huntington. Pursuant to 43

CFR 2808.3–1(a), a Category II processing fee of $300 must be submitted with the application. An environmental analysis will be prepared for this action; public comment is requested. The analysis will be available for public review at the address above. Specific terms and conditions of the lease shall be consistent with commercial use. Annual rental shall be fair market value to be determined by appraisal.

Boyce Bush,

Acting Kobuk District Manager.

[FR Doc. 88–13844 Filed 6–17–88; 8:45 am]

BILLING CODE 4310–84–M

New Mexico; Public Review Period for USGS/USBM "Mineral Survey Reports"; Wilderness Study Areas

AGENCY: Bureau of Land Management, NM–924–08–4332–09; Interior.

ACTION: Notice.

SUMMARY: The New Mexico Bureau of Land Management (BLM), is requesting the public to review combined U.S. Geological Survey (USGS) and U.S. Bureau of Mines (USBM) "Mineral Survey Reports" which have been completed for preliminary suitable Wilderness Study Areas (WSAs). If the public identifies significant differences in interpretation of the date presented in the reports or submits significant new minerals data for consideration, the Bureau of Land Management will request USGS/USBM evaluate these comments in relation to their final Mineral Survey Report. The BLM will consider the USGS/USBM evaluations as well as the Mineral Survey Report in developing final wilderness suitability recommendations. Copies of the WSA reports can be reviewed in BLM offices in Santa Fe, Albuquerque, Taos, Farmington, Las Cruces, Socorro, Roswell, Carlsbad, Tulsa and Oklahoma City.

DATE: New information will be accepted on the reports enumerated in this notice until August 19, 1988.

ADDRESS: Send information on reports to: Deputy State Director for Minerals, BLM, New Mexico State Office, P.O. Box 1449, Sante Fe, New Mexico 87504–1449.

FOR FURTHER INFORMATION CONTACT: Powell King, BLM, New Mexico State Office, Division of Mineral Resources, P.O. Box 1449, Sante Fe, New Mexico 87504–1449, (505) 988–6186.

SUPPLEMENTARY INFORMATION: Section 603 of the Federal Land Policy and Management Act of 1976, 90 Stat. 2785, directed the Secretary of the Interior to inventory lands having wilderness characteristics as described in the Wilderness Act of September 3, 1964, and from time to time report to the President his recommendations as to the suitability or non-suitability of each area for preservation as wilderness. The USGS and USBM are charged with conducting mineral surveys for areas that have been preliminarily recommended suitable for inclusion into the wilderness system, to determine the mineral values, if any, that may be present in such areas.

To ensure that all available minerals data are considered by the Bureau of Land Management prior to making its final wilderness suitability recommendations to the Secretary of the Interior, the State Director, New Mexico is providing this public review and comment period. Usually there is a one to two year lag time between actual field work and final printing of a mineral survey report. New information may have been collected by the public during this lag time or the public may have a new interpretation of the data presented in the mineral survey reports. Any new data or new interpretations of data in the reports will be screened for its significance and validity by the Bureau of Land Management. Significant new minerals data or new interpretations of the minerals data will be forwarded to the U.S. Geological Survey and U.S. Bureau of Mines for further consideration. Evaluations received by the Bureau of Land Management from the U.S. Geological Survey and U.S. Bureau of Mines will be considered by the State Director in the final wilderness suitability recommendations.

Information requested from the public via this invitation are not limited to any specific energy or mineral resource. Information can be in the form of a letter and should be as specific as possible and include:

1. The name and number of the subject Wilderness Study and Mineral Survey Report.
2. Mineral(s) of interest.
3. A map or land description by legal subdivision of the public land surveys or protected surveys showing the specific parcel(s) of concern within the subject Wilderness Study Area.
4. Information and documents that depict the new data or reinterpretation of data.
5. The name, address, and phone number of the person who may be contacted by technical personnel of the Bureau of Land Management, U.S. Geological Survey or U.S. Bureau of Mines assigned to review the information.

Geologic maps, cross sections, drill hole records and sample analyses, etc., should be included. Published literature and reports may be cited. Each comment should be limited to a specific Wilderness Study Area. All information submitted and marked confidential will be treated as proprietary data and will not be released to the Public without consent.

The following is a list of available Mineral Survey Reports by Wilderness Study Area (WSA) on which new information will be accepted.

WSA No.	Name	Report No.
010–022	Cabezon	BU 1733–B
010–024	Ojito	BU 1733–B
010–059	Rio Chama	BU 1733–C
010–092	Manzano	OFR 88–0296
020–038	Sierra De Las Canas.	BU 1734–D
020–043	Horse Mountain	BU 1734–C
020–044	Continental Divide.	BU 1734–C
020–055	Jornada Del Muerto.	BU 1734–A
030–023	Gila Lower Box	BU 1735–A
030–035A/B	Big Hatchet Mountains.	BU 1735–C
030–052	West Potrillo/ Mount Riley.	BU 1735–B
030–053	Aden Lava Flow	BU 1734–B

Reports available for review in BLM offices will not be available for sale or removal from the office. Copies of the listed reports may be purchased from: U.S. Geological Survey, Books and Open File Reports, Box 25425, Federal Center, Denver, Colorado 80225.

Date: June 3, 1988.

Gilbert O. Lockwood,

Deputy State Director for Mineral Resources.

[FR Doc. 88–13803 Filed 6–17–88; 8:45 am]

BILLING CODE 4310–FB–M

Minerals Management Service

Outer Continental Shelf (OCS) Advisory Board Scientific Committee Notice and Agenda of Plenary Session Meeting

This notice is issued in accordance with the provisions of the Federal Advisory Committee Act, Pub. L. 92–463, 5 U.S.C., Appendix I, and the Office of Management and Budget Circular A–63, Revised.

The OCS Advisory Board Scientific Committee will meet in plenary session at the Doubletree Inn, 205 Strander

Boulevard, Seattle, Washington 98188 (telephone 206–575–8220), from 8 a.m. to 5:30 p.m. on July 20, 1988, and from 8 a.m. to 4:30 p.m. on July 21, 1988.

The agenda for the meeting will include the following subjects:

- Update on the Environmental Studies Program for the Regional and Headquarters Offices;
- The Alaska Proposed Program for Fiscal Year 1990;
- The MMS Archeology Program;
- Discussion on Information Dissemination and Public Perception;
- The Scientific Committee Fisheries Task Force; and
- Discussions with Representatives of Washington and Oregon.

This meeting is open to the public. Approximately 30 visitors can be accommodated on a first-come-first-served basis. All inquiries concerning this meeting should be addressed to: Dr. Don V. Aurand, Chief, Branch of Environmental Studies, Offshore Environmental Assessment Division, Room 4230 (MS–644), Minerals Management Service, U.S. Department of the Interior, 18th and C Streets NW., Washington, DC 20240; telephone (202) 343–7744.

Date: June 15, 1988.

John B. Rigg,

Associate Director for Offshore Minerals Management.

[FR Doc. 88–13849 Filed 6–17–88; 8:45 am]

BILLING CODE 4310–MR–M

Gulf of Mexico Outer Continental Shelf; Notice of Availability of Proposed Notice of Sale, Eastern Gulf Mexico, Oil and Gas Leases Sale 116, Part I

With regard to oil and gas leasing on the Outer Continental Shelf (OCS), the Secretary of the Interior, pursuant to section 19 of the OCS Lands Act, as amended, provides the affected States the opportunity to review the proposed Notice of Sale.

The proposed Notice of Sale for Sale 116, Part I, Eastern Gulf of Mexico, may be obtained by written request to the Public Information Unit, Gulf of Mexico Region, Minerals Management Service, 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123–2394, or by telephone (504) 736–2519.

The final Notice of Sale will be published in the **Federal Register** at least 30 days prior to the date of bid opening. Bid opening is scheduled for November 1988.

This Notice of Availability is hereby published pursuant to 30 CFR 56.29, as amended (51 FR 37177 on October 20, 1986), as a matter of information to the public.

David Crow,

Acting Director, Minerals Management Service.

Dated: Jne 15, 1988

[FR Doc. 88–13903 Filed 6–17–88; 8:45 am]

BILLING CODE 4310–MR–M

National Park Service

[DES 88–35]

Governmental Impact Statement; Denali National Park and Preserve, AK

ACTION: Notice of Availability of the Draft Environmental Impact Statement (DEIS) for the Wilderness Recommendation Denali National Park and Preserve, Alaska and the holding of public hearings and public meetings.

For Denali National Park and Preserve, four alternatives were examined ranging from no action, which means no additional wilderness designation, to designating all suitable lands within the study area as wilderness. Alternative 2, the proposed action, recommends 2,254,000 acres or 60 percent of study area lands for wilderness designation.

DATES AND ADDRESSES: The public is invited to comment on the DEIS. The public comment period will end August 29, 1988. Written comments should be mailed to Mr. Q. Boyd Evison, Regional Director, Alaska Regional Office, National Park Service, 2525 Gambell Street, Anchorage, Alaska 99503. Comments must be received by August 29, 1988 to be considered in the development of the final EIS.

Two formal public hearings have been scheduled to receive oral and written comments on this wilderness DIES. A section 810 review will be conducted as part of the hearings. The public hearings will also provide the opportunity to receive oral and written comments on Wilderness Recommendation for Noatak National Preserve, Aniakchak National Monument and Preserve, Cape Krusentern National Monument, Glacier Bay National Park and Preserve, Katmai National Park and Preserve, and Kobuk Valley National Park draft EISs, which are also on public review. One hearing will be held in Anchorage, Alaska, on Monday, July 18, 1988, at 7:00 PM, Room 300, Alaska Regional Office, National Park Service, 2525 Gambell Street. Another hearing will be held Tuesday, July 19, at 7:00 PM in Arlington, Virginia, at the Professional Center, Third Floor, Metropolitan Campus of George Mason University, 3401 North Fairfax Drive.

In addition, two public meetings will be held on Denali National Park and Preserve Wilderness DIES. One will be held on Tuesday July 19, 1988, at the Talkeetna High School in Talkeetna at 7:00 PM. The other will be on Wednesday, July 20, 1988, at the Alaska Public Lands Information Center, 3rd & Cushman, Fairbanks at 7:00 PM. A section 810 review will be conducted as part of the meetings.

FOR FURTHER INFORMATION CONTACT: Division of Planning, Alaska Regional Office, National Park Service, 2525 Gambell Street, Anchorage, Alaska 99503; (907) 257–2654. The headquarters, Denali National Park and Preserve, P.O. Box 9, McKinley Park, Alaska 99755, phone (907) 683–2294 will have reading copies available to the public as will the NPS Alaska Regional Office (address above); the Alaska Resources Library in Anchorage, Alaska, 701 C Street; the Alaska Public Lands Information Office in Fairbanks, Alaska, Third and Cushman Streets; and the Office of Public Affairs, National Park Service, Department of the Interior in Washington DC, 18th and C Streets NW.

Jacob J. Hoogland

Acting Associate Director, Planning and Development.

Approved:

Bruce Blanchard,

Director, Office of Environmental Project Review United States Department of the Interior.

Date: June 15, 1988.

[FR Doc. 88–13821 Filed 6–17–88; 8:45 am]

BILLING CODE 4310–70–M

National Capital Region; Memorial Commission Meeting

Notice is hereby given in accordance with the Federal Advisory Committee Act that a meeting of the National Capital Memorial Commission will be held on Tuesday, June 28, at 1:00 p.m., in the Executive Conference Room at the National Capital Planning Commission, 1325 G Street NW, Washington, DC.

The Commission was established by Pub. L. 99–652, for the purpose of advising the Secretary of the Interior or the Adminstrator of the General Serices Administration, depending on which agency has jurisdiction over the lands involved in the matter, on policy and procedures for establishment of (and proposals to establish) commemorative works in the District of Columbia or its environs, as well as such other matters concerning commemorative works in the Nation's Captial as it may deem appropriate. The Commission evaluates

each memorial proposal and makes recommendations to the Secretary or the Administrator with respect to appropriateness, site location and design, and serves as an information focal point for those seeking to erect memorials on Federal land in Washington, DC, or its environs.

The members of the Commission are as follows:

William Penn Mott, Jr. Chairman, Director, National Park Service, Washington, DC

George M. White, Architect of the Capitol, Washington, DC.

Honorable Andrew J. Goodpaster, Chairman, American Battle Monuments Commission, Washington, DC.

J. Carter Brown, Chairman, Commission of Fine Arts, Washington, DC

Glen Urquhart, Chairman, National Capital Planning Commission, Washington, DC

Honorable Marion S. Barry, Jr., Mayor of the District of Columbia, Washington, DC

John Alderson Administrator, General Services Administration, Washington, DC

Honorable Frank Carlucci, Secretary of Defense, Washington, DC

The purpose of the meeting will be to review and take action the following:

I. Site Location Approval

a. Korean War Memorial, authorized by Pub. L. 99–572, October 28, 1986—Motion for Reconsideration.

b. Black Revolutionary War Patriots Memorial, authorized by Pub. L. 99–558, October 27, 1986.

c. Memorial to Women in the Armed Forces, authorized by Pub. L. 99–610, November 6, 1986

Date: June 14, 1988.

Regional Director, National Capital Region.

Manus J. Fish, Jr.,

[FR Doc. 88–13832 Filed 6–17–88; 8:45 am]

BILLING CODE 4310-70-M

INTERSTATE COMMERCE COMMISSION

[Docket No. AB–55 (Sub-No. 219X)]

CSX Transportation, Inc.; Exemption for Abandonment In Gilmer, Braxton and Clay Counties, WV

AGENCY: Interstate Commerce Commission.

ACTION: Notice of exemption.

SUMMARY: The Interstate Commerce Commission exempts from the prior approval requirements of 49 U.S.C. 10903, *et seq.*, the abandonment by CSX Transportation, Inc., of 56 miles of track in Gilmer, Braxton and Clay Counties, WV, subject to environmental, historic preservation, and standard labor protective conditions.

DATES: Formal expressions of intent to file an offer [1] of financial assistance under 49 CFR 1152.27 (c)(2) must be filed by June 30, 1988. Provided no formal expression of intent to file an offer of financial assistance has been received, this exemption will be effective on July 20, 1988.

Petitions to stay must be filed by July 5, 1988, and petitions for reconsideration must be filed by July 15, 1988. Requests for a public use condition must be filed by June 30, 1988.

ADDRESSES: Send pleadings referring to Docket No. AB–55 (Sub-No. 219X) to:

(1) Office of the Secretary, Case Control Branch, Interstate Commerce Commission, Washington, DC 20423

(2) Petitioner's representative: Charles M. Rosenberger, 500 Water Street, Jacksonville, FL 32202

FOR FURTHER INFORMATION CONTACT: Joseph H. Dettmar, (202) 275–7245. (TDD for hearing impaired: (202) 275–1721)

SUPPLEMENTARY INFORMATION: Additional information is contained in the Commission's decision. To purchase a copy of the full decision, write to Dynamic Concepts, Inc., Room 2229, Interstate Commerce Commission Building, Washington, DC 20423, or call (202) 289–4357/4359 (DC Metropolitan Area), (assistance for the hearing impaired is available through TDD Services (202) 275–1721, or by pickup from Dynamic Concepts, Inc., in Room 2229 at Commission Headquarters).

Decided: June 2, 1988.

By the Commission, Chairman Gradison, Vice Chairman Andre, Commissioners Sterrett, Simmons, and Lamboley. Commissioners Simmons and Lamboley dissented with separate expression.

Noreta R. McGee,

Secretary.

[FR Doc. 88–13821 Filed 6–17–88; 8:45 am]

BILLING CODE 7035-01-M

NUCLEAR REGULATORY COMMISSION

Documents Containing Reporting or Recordkeeping Requirements; Office of Management and Budget Review

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of the Office of Management and Budget review of information collection.

SUMMARY: The Nuclear Regulatory Commission has recently submitted to the Office of Management and Budget (OMB) for review the following proposal for the collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).

1. Type of submission, new, revision, or extension: Extension.

2. The title of the information collection: 10 CFR Part 150—Exemptions and Continued Regulatory Authority in Agreement States and in Offshore Waters under Section 274

3. The form number if applicable: Not applicable.

4. How often the collection is required: Reports are required as occasioned by the occurrence of specified events, such as the receipt or transfer of licensed radioactive material, or actual or attempted theft of licensed material. An annual statement of source material inventory is required.

5. Who will be required or asked to report: Agreement State licensees authorized to possess source or special nuclear material at certain types of facilities, or at any one time and location in greater than specified amounts.

6. An estimate of the number of responses: 63

7. As estimate of the total number of hours needed to complete the requirement or request: 2.38 hours per response, for a total of 150 hours annually.

8. An indication of whether section 3504(h), Pub. L. 96–511 applies: Not applicable.

9. Abstract: 10 CFR Part 150 provides certain exemptions from NRC regulations for persons in Agreement States. Part 150 also defines activities in Agreement States over which NRC regulatory authority continues, including certain information collection requirements.

Copies of the submittal may be inspected or obtained for a fee from the NRC Public Document Room, 1717 H Street NW., Washington, DC 20555.

Comments and questions should be directed to the OMB reviewer, Vartkes L. Broussalian, (202) 395–3084.

The NRC Clearance Officer is Brenda Jo. Shelton, (301) 492–8132.

Dated at Bethesda, Maryland, this 14th day of June 1988.

[1] *See Exemption or Rail Abandonment—Offers of Finan. Assist.*, 4 I.C.C. 2d 164 (1987), and final rules published at 52 FR 48440 (1987).

For the Nuclear Regulatory Commission.

Joyce A. Amenta,

Acting Director, Office of Administration and Resources Management.

[FR Doc. 88-13820 Filed 6-17-88; 8:45 am]

BILLING CODE 7590-01-M

POSTAL RATE COMMISSION

Commission Visits to Postal Service and United Parcel Service Facilities

June 14, 1988.

Notice is hereby given that the Commission and certain advisory staff personnel will visit the United Parcel Service Airport Package Sorting Hub, Louisville, Kentucky on June 27, 1988, and the United States Postal Service Airport Package Sorting Hub, Terre Haute, Indiana on June 28, 1988 for the purpose of acquiring general background knowledge of overnight package delivery operations. A report of the visits will be on file in the Commission's Docket Room.

For further information on these visits, please contact Gerald E. Cerasale by writing to Postal Rate Commission, 1333 H Street NW., Suite 300, Washington, DC 20268-0001, or by telephone at (202) 789-6868.

Charles L. Clapp,

Secretary.

[FR Doc. 88-13794 Filed 6-17-88; 8:45 am]

BILLING CODE 7715-01-M

SECURITIES AND EXCHANGE COMMISSION

[File No. 22-18335]

Application and Opportunity for Hearing; Eastern Air Lines, Inc.

Notice is hereby given that Eastern Air Lines, Inc. (the "Company"), has filed an application pursuant to clause (ii) of section 310(b)(1) of the Trust Indenture Act of 1939, as amended (the "Act") for a finding by the Securities and Exchange Commission (the "Commission") that the trusteeship of First Fidelity Bank, National Association, New Jersey (the "Bank") under an indenture dated as of November 15, 1986 (the "1986 Indenture") between the Company, the Bank (as "Collateral Trustee"), and Midatlantic National Bank, United Jersey Bank, and First Jersey National Bank (each, a "Series Trustee" and collectively, "Series Trustees") which was heretofore qualified under the Act and under an indenture dated as of March 1, 1988 (the "1988 Indenture") between the Company, the Bank, and Texas Air Corporation, as guarantor, which has not been qualified under the Act, is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the Bank from acting as trustee under either of such indentures.

Section 310(b) of the Act provides in part that if a trustee under an indenture qualified under the Act has or shall acquire any conflicting interest (as defined in the section), it shall, within ninety days after ascertaining that it has such conflicting interest, either eliminate such conflicting interest or resign.

Subsection (1) of such Section provides, with certain exceptions stated therein, that a trustee under a qualified indenture shall be deemed to have a conflicting interest if it is acting as trustee under another indenture of the same obligor.

The Company alleges

(1) Pursuant to the 1986 Indenture, the Company issued $500,000,000 aggregate principal amount of its First Priority, Second Priority, and Third Priority Secured Equipment Certificates ("Certificates") in a private placement. The Certificates were subsequently registered under the Securities Act of 1933 ("1933 Act") and the 1986 Indenture was qualified under the Act.

(2) Pursuant to the 1988 Indenture, the Company issued $200,000,000 principal amount of its Second Priority Secured Equipment Notes due 1993 ("Notes") in a private placement, in reliance upon an exemption from the registration requirements of the 1933 Act and the qualification requirements of the Act.

(3) The Company is not in default under either the 1986 Indenture or the 1988 Indenture. Both indentures are secured by wholly separate and distinct pools of collateral.

(4) The provisions of the 1986 and 1988 Indentures are not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify the Bank from acting as Trustee under the 1986 Indenture or the 1988 Indenture.

(5) The Company's obligations under the Certificates and the Notes rank *pari passu inter se.*

The Company has waive notice of hearing, hearing, and any and all rights to specify procedures under the Rules of Practice of the Commission in connection with this matter.

For a more detailed account of the matters of fact and law asserted, all persons are referred to said application, which is on file in the Office of the Commission's Public Reference Section, File No. 22-18335, 450 First Street NW., Washington, DC 20549.

Notice is further given that any interested person may, not later than June 28, 1988, request in writing that a hearing be held on such matter stating the nature of his interest, the reasons for such request and the issues of law or fact raised by such application which he desires to controvert, or he may request that he be notified if the Commission orders a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, 450 Fifth Street NW., Washington, DC 20549. At any time after said date, the Commission may issue an order granting the application, upon such terms and conditions as the Commission may deem necessary or appropriate in the public interest and for the protection of investors, unless a hearing is ordered by the Commission.

For the Commission, by the Division of Corporation Finance, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 88-13804 Filed 6-17-88; 8:45 am]

BILLING CODE 8010-01-M

Forms Under Review by Office of Management and Budget

Agency Clearance Officer: Kenneth A. Fogash (202) 272-2142.

Upon Written Request, Copy Available From: Securities and Exchange Commission, Office of Consumer Affairs, 450 Fifth Street NW., Washington, DC 20549.

Approval

Rule 12b-1
File No. 270-188
Form N-1A
File No. 270-21

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1980 [44 U.S.C. 3501 *et seq.*], the Securities and Exchange Commission has submitted for OMB approval proposed amendments to Rule 12b-1 [17 CFR 270.12b-1] under the Investment Company Act of 1940 (the "1940 Act") and to Form N-1A under the 1940 Act and the Securities Act of 1933 [17 CFR 239.15A] [17 CFR 274.11A].

The proposed amendments to Rule 12b-1 would, among other things, modify the circumstances under which open-end management investment companies ("funds") can adopt or continue distribution plans.

Form N-1A is the registration statement for use by funds, except small business investment companies and

insurance separate accounts. There are approximately 2,300 registrants using Form N–1A, with an estimated compliance time of 1,055 hours per registrant. The proposed amendments would add one additional hour to the time necessary for each registrant to comply with the form's requirements.

General comments should be submitted to OMB Desk Officer: Robert Neal, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 3228 NEOB, Washington, DC 20503.

Direct any comments concerning the accuracy of the estimated average burden hours for compliance to Kenneth A. Fogash, Deputy Executive Director, U.S. Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549–6004, and to Robert Neal at the above address.

Jonathan G. Katz,

Secretary.

June 10, 1988.

[FR Doc. 88–13838 Filed 6–17–88; 8:45 am]

BILLING CODE 8010–01–M

[Rel. No. 34–25800; File No. SR–MBS–87–11]

Self-Regulatory Organizations; MBS Clearing Corporation; Order Approving Proposed Rule Change

On January 4, 1988, the MBS Clearing Corporation ("MBSCC"), filed a proposed rule change (File No. SR–MBS–87–11) under Section 19(b) of the Securities Exchange Act of 1934 ("Act").[1] The proposal would make various changes to MBSCC's Depository Division rules, including revisions to rules for the assessment of participants in certain circumstances and financing of principal and interest payments. The Commission published notice of the proposal in the **Federal Register** on March 8, 1988.[2] One comment letter and a response from MBSCC were received. For the reasons discussed below, the Commission is approving the proposal.

I. Description of the Proposal

The proposed rule change clarifies and revises several MBSCC Depository Division rules. First, the proposal amends Article II, Rule 5, Sections 5(a) and 5(b), pertaining to assessments of participants in the event of participant default. The proposal extends the universe of participants who may be assessed to cover losses due to a member default. As amended by the proposal, MBSCC would be authorized to assess participants who received securities credits as a result of deliveries from the defaulting participant. Currently, only those participants who received cash credits as a result of deliveries to the defaulting participant are subject to pro rata assessment for losses associated with the default.[3] The proposal would authorize MBSCC to assess members who received credits to their securities accounts from a defaulting participant. Thus, in the event of a member default that required pro rata assessment, MBSCC would determine each participant's cash credits because of deliveries to the defaulting participant and the value of deliveries from the defaulting participant and then allocate losses associated with the default among that universe of participants on a pro rata basis.

Second, the proposal amends Article III, Rule 2, Sections 1 and 2 to clarify procedures for principal and interest ("P&I") payments to participants. Section 1, as amended, states that an advance of P&I on deposited securities may be paid to a participant by MBSCC or by a third-party lender through MBSCC. Section 2 clarifies the rights and obligations of participants in the event that a P&I payment is advanced by MBSCC, a third-party lender or both.[4] As amended, Section 2 provides that upon an advance of P&I to a participant: (1) MBSCC or a third-party lender, to the extent that it has advanced P&I, shall be entitled to receive the P&I when it is received from the issuer or paying agent; (2) the participant receiving the P&I advance guarantees full and prompt payment to MBSCC when the third-party loan is due and assigns to the third-party lender all rights and to the P&I that has been advanced by the third-party lender to the participant; (3) if MBSCC or the third-party lender does not receive the P&I promptly from the issuer or paying agent, it may demand that the participant repay the P&I; and (4) participants are responsible for any financing costs for P&I advances from MBSCC or a third-party lender. The proposal also amends Article III, Rule 2, Section 6, relating to the enforcement of guarantees by MBSCC for issuer or paying agent failure to pay P&I in a timely manner on deposited Federal National Mortgage Association ("FNMA"), Federal Home Loan Mortgage Corporation ("FHLMC") or Government National Mortgage Association ("GNMA") securities, to reflect the changes described above.[5]

Third, the proposal amends Article III, Rule 2, Section 4 to extend MBSCC's ability to reverse erroneous credits of P&I. The proposal would allow MBSCC to reverse erroneous credits of P&I in circumstances other than issuer or paying agent error, such as data processing errors.

Finally, the proposal adds a sentence to the end of Article IV, Rule 1, Section 11, which concerns participant indemnification of MBSCC for certain MBSCC services. The addition clarifies that if a participant fails to pay any debit balance resulting from assessment of an indemnification payment, MBSCC shall apply the procedures for assessment of other participants states in Article II, Rule 5, Section 5.

II. MBSCC's Rationale

MBSCC states that the proposed rule changes are consistent with the Act in that they will facilitate the prompt and accurate clearance and settlement of securities transactions by clarifying MBSCC rules and procedures relating to the P&I payments and related areas.

III. Comments Concerning the Proposal and MBSCC's Response

The Commission received one comment letter regarding the proposal, from Bear Stearns & Co. Inc. ("Bear Stearns"). In its letter, Bear Stearns raised procedural [6] and substantive concerns regarding the proposal, and urged the Commission to disapprove the proposal, or at least delay its approval. MBSCC filed a response with the Commission on April 27, 1988.

Bear Stearns asserts that the proposal concerning P&I payments will alter the fundamental rights that participants and

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[1] 15 U.S.C. 78s(b)(1).

[2] Securities Exchange Act Release No. 25410 (March 1, 1988), 53 FR 7454.

[3] Before MBSCC can assess its members for losses resulting from a member default, MBSCC rules require MBSCC to pursue other remedies. Those remedies include the sale, transfer or assignment of securities held in the defaulting participant's MBSCC transfer account associated with the depository account with respect to which the debit balance has not been paid. For a complete description of all the remedies, *see* MBSCC Article II, Rule 6, Section 4.

[4] MBSCC credits its participants with P&I on payable date plus one day.

[5] MBSCC's rules require MBSCC to pursue diligently collection of P&I payments, including payments from guarantors as agent for its participants, and third-party lenders.

[6] Bear Stearns noted that MBSCC failed to notify its participants of the terms of the proposal prior to or contemporaneously with filing the proposal for Commission review under the Act in violation of MBSCC's rules. Accordingly, Bear Stearns urged the Commission to deny approval of the rule change or delay approval until MBSCC provides notice to its participants and an opprortunity to comment. On April 19, 1988 MBSCC notified each of its participants of the terms of rule changes and invited participant comment on the proposal. Neither MBSCC nor the Commission has received any comments on the proposed rule change in response to the April 19 notice.

underlying investors have in GNMA securities held at MBSCC. In receiving an advance on P&I, Bear Stearns asserts that participants must give up to MBSCC and/or its third-party lenders all rights to P&I payments and also must guarantee on a pro rata basis repayment of third-party loans. The effect of the advance, Bear Stearns states, is that participants are deprived of their claim to the GNMA guarantee as well as the P&I payments. Bear Stearns raised no objections to other aspects of the proposal.

In response, MBSCC, states that in essence MBSCC "is financing a receivable. As is customary in such a financing, the underlying collateral is pledged to the lender. If the receivable is not collected, the recipient of the loan proceeds must repay the loan. However, in doing so he receives back the collateral." [7] MBSCC further states that the proposal assigns the P&I payment as collateral for the P&I advance from a third-party lender and that if the loan must be repaid by the participant to the third-party lender, the participant regains all rights to the underlying P&I.

IV. Discussion

For the reasons discussed below, the Commission is approving MBSCC's proposal. The Commission believes the proposal is consistent with Section 17A of the Act because it will promote the prompt and accurate clearance and settlement of mortgage-backed securities transactions while safeguarding funds and securities in MBSCC's custody and control, or for which it is responsible.

(a) Default allocation rules and reversal of erroneous P&I payments

The Commission believes that the proposal further strengthens MBSCC's rules to protect MBSCC and its participants against financial loss associated with its services. The changes more clearly delineate MBSCC procedures in instances where MBSCC may be at risk. First, with regard to the assessment of participants that transacted business with a defaulting participant, the proposal extends MBSCC's right to assess to situations where the participant received credits of cash and/or securities as a result of transacting with the defaultiong participant. The change will more fully and evenly distribute the cost of covering any loss to those participants who transacted with the defaulting participant while further insulating MBSCC and participants who did not transact with the defaulting participant from those losses. Second, the proposal expands the circumstances for which MBSCC may reverse erroneous P&I payments. That change should decrease related risk of loss to MBSCC and its participants.

(b) Changes related to P&I payments

MBSCC advances P&I as a service to its participants. MBSCC participants, by receiving a P&I advance from MBSCC, are assured of receiving P&I without undue delay and can use those funds immediately for other purposes. The changes in the proposal regarding payment of P&I are designed to facilitate the timely and efficient payment of P&I from the issuer or paying agent to MBSCC participants. The Commission believes that the proposal also could eliminate or reduce possible delays in the settlement process due to P&I payment delays and therefore facilitate the prompt and accurate clearance and settlement of mortgage-backed securities transactions.

Finally, the proposal clarifies a participant's rights and liabilities when it is advanced P&I. Upon a P&I advance by MBSCC, a participant assigns to MBSCC or the third-party lender the right to receive the P&I from the issuer or paying agent. In addition, MBSCC or the third-party lender (through MBSCC as agent) may demand repayment of the P&I if it is not received promptly from the issuer or paying agent. Also, the participant guarantees payment to MBSCC when the third-party loan is due and assigns all rights in and to the advanced P&I to the third-party lender. The effect is to protect MBSCC and its participants against risk of loss from issuer or paying agent failure to pay while providing participants with consistent and timely P&I payments. In the event that the issuer or paying agent fails to pay or payment is delayed, MBSCC or the third-party lender may demand repayment of the P&I. If this occurs, the rights in and to the P&I return to the participant and the participant will receive the P&I when paid or MBSCC will pursue the guarantee for the participant.[8] The same result will occur if the third-party loan becomes due and the participant repays MBSCC the advanced P&I. In each case, MBSCC will protect itself from risk of loss by receiving repayment of the advanced P&I from the participant.

The Commission believes that the proposal does not materially alter MBSCC participants' fundamental rights and obligations concerning P&I advances, but rather clarifies previously existing participants rights and obligations for the purposes of enabling lenders to perfect security interests in assigned P&I payments. At the time of its temporary registration as a clearing agency,[9] MBSCC rules concerning P&I advances provided that: MBSCC was entitled to retain P&I payments to the extent of any advances; participants were responsible for interest charges on advanced P&I; and participants were obligated to repay P&I advances to MBSCC or third-party lenders in the event of issuer or paying agent default. The Commission understands that MBSCC has negotiated with lenders significantly increased lines of credit for, among other purposes, advancing P&I payments to MBSCC participants. The Bear Stearns letter, however, does not focus on these specific changes made by the proposal.

The Commission understands that financing receivables "with recourse" to the payee is a common practice in the securities and banking industry to facilitate timely payments. The lender who finances the receivable generally is provided the choice to pursue the payor or to seek repayment from the payee. If the lender chooses to pursue payment from the payor but is then unsucessful, the lender may seek repayment from the payee; if the lender receives satisfaction from the payor, the payee has no further obligation to the lender and if the payee repays the lender, the payee retains its rights against the payor.

In practical terms, the Commission understands that in most circumstances MBSCC will obtain late P&I payments from the issuer or paying agent within one or two days of the scheduled payment date and will repay its third-party lenders. In the event of a further delay, MBSCC would pursue, on behalf of the third-party lender and its participants, GNMA's guarantee of P&I payments. MBSCC has represented, however, that it receives the bulk of P&I payments within three days after payment date. MBSCC would wait until 15 days after payment date before it will pursue GNMA's guarantee. To date, MBSCC has never gone to GNMA to pursue the guarantee. Because of the GNMA guarantee, MBSCC has represented, and the Commission recognizes, that third-party lenders would seek repayment from participants in only very unusual circumstances, such as when there is uncertainty about

[7] Letter from Albert M. Anderson, President, MBSCC to Jonathan G. Katz, Secretary, Commission, dated April 26, 1988.

[8] *See* letter from Albert M. Anderson, President, MBSCC to Jonathan G. Katz, Secretary, Commission, dated April 26, 1988.

[9] *See* Securities Exchange Act Release No. 24046 (February 2, 1987), 52 FR 4216.

the ability of GNMA to meet its guarantee obligations on a timely basis. Because GNMA's obligations are backed by the full faith and credit of the U.S. government, that eventuality is remote.

The Commission understands that Bear Stearns is concerned about MBSCC's ability to bind its participants to substantial third-party loans in order to fund P&I payments, the cost of financing those payments could be substantial if MBSCC does not pursue timely P&I payments from issuers and paying agents.

The extent of P&I payment delays by paying agents and issuers prior to MBSCC's registration in February 1987 was unclear. No formal studies appear to exist, although MBSCC's experience since 1987 clearly demonstrates the need to improve the timeliness of P&I payments.[10]

The Commission understands that MBSCC has held extensive discussions with GNMA, mortgage bankers, and paying agents to encourage individual and wide-scale efforts at improved timeliness in P&I payments. Indeed, MBSCC represents that it has achieved significant improvements in paying agent performance so that now P&I payments are made to MBSCC by payable date plus one day more than 80% of the time on average each month.

The Commission understands that Bear Stearns would urge MBSCC to provide each participant the choice of receiving P&I advances, or receiving P&I payments only upon MBSCC's receipt of those payments (thereby permitting participants to forego MBSCC financing costs). MBSCC indicates that developing such a system would be expensive and would require significant changes to its operating systems. MBSCC, however, has represented to the Commission staff that within 12 months of the date of this order it will make the automatic advance of P&I payments optional for participants.[11]

The Commission believes that adequate controls exist to limit and manage the extent to which MBSCC finances P&I delays. First, MBSCC is a user-governed organization, and its management must respond to its users who compose its Board of Directors. Second, MBSCC management is actively pursing improved paying agent performance by, among other things, identifying habitually late paying agents to GNMA. Thus, the Commission recognizes that this and strong economic incentives will help to assure continuing efforts to improve timely payments and, thereby, reduced financing costs to MBSCC participants.

The Commission will continue to monitor MBSCC's experience with paying agents and its financing. MBSCC has agreed to inform on a quarterly basis the Commission concerning paying agent performance and the level of P&I advances.

V. Conclusion

For the foregoing reasons, the Commission believes that MBSCC's proposal is consistent with the Act and Section 17A in that it is designed to promote the prompt and accurate clearance and settlement of mortgage-backed securities transactions and the safeguarding of funds and securities related thereto.

It is therefore ordered, pursuant to section 19(b) of the Act, that MBSCC's proposed rule change (File No. SR–MBS–87–11) be, and hereby is, approved.

For the Commission, by the Division of Market Regulation pursuant to delegated authority.

Johathan G. Katz,

Secretary.

Dated: June 13, 1988.

[FR Doc. 88–13840 Filed 6–17–88; 8:45 am]

BILLING CODE 8010–01–M

[10] MBSCC estimates that less than 50% of P&I payments to MBSCC for securities that it holds were made by payable date plus one day during an average month.

[11] Telephone conversation between Jerry Greiner, Branch Chief Division of Market Regulation, and Jim Easterling of Coffield Ungaretti Harris & Slavin, counsel to MBSCC, on June 9, 1988.

DEPARTMENT OF TRANSPORTATION

Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits Filed During the Week Ending June 10, 1988

The following applications for certificates of public convenience and necessity and foreign air carrier permits were filed under Subpart Q of the Department of Transportation's Procedural Regulations (See 14 CFR 302.1701 *et seq.*). The due date for answers, conforming application, or motion to modify scope are set forth below for each application. Following the answer period DOT may process the application by expedited procedures. Such procedures may consist of the adoption of a show-cause order, a tentative order, or in appropriate cases a final order without further proceedings.

Docket No. 45648

Date Filed: June 8, 1988.

Due Date for Answers, Conforming Applications, or Motion to Modify Scope: July 6, 1988.

Description: Application of Federal Express Corporation pursuant to section 401 and Subpart Q of the Regulations, for issuance of a new or amended certificate of public convenience and necessity authorizing Federal Express to provide foreign air transportation of property and mail between a point or points in the United States, on the one hand, and a point or points in Argentina, on the other hand.

Docket No. 45651

Date Filed: June 10, 1988.

Due Date for Answers, Conforming Applications, or Motion to Modify Scope: July 8, 1988.

Description: Application of United Air Lines, Inc. pursuant to section 401 of the Act and Subpart Q of the Regulations applies for a certificate of public convenience and necessity in order to authorize United to provide scheduled non-stop foreign air transportation of persons, property, and mail between Spokane, Washington, and Calgary, Alberta, Canada.

Docket No. 45652

Date Filed: June 10, 1988.

Due Date for Answers, Conforming Applications, or Motion to Modify Scope: July 8, 1988.

Description: Application of Air France pursuant to section 402 of the Act and Subpart Q of the Regulations requests amendment of its foreign air carrier permit to add San Juan, Puerto Rico.

Docket No. 45181

Date Filed: June 7, 1988.

Due Date for Answers, Conforming Applications, or Motion to Modify Scope: July 5, 1988.

Description: Amendment No. 1 to the Application of Hong Kong Dragon Airlines Limited d/b/a/ Dragonair. Additional Information.

Phyllis T. Kaylor,

Chief, Documentary Services Division.

[FR Doc. 88–13851 Filed 6–17–88; 8:45 am]

BILLING CODE 4910–62–M

National Highway Traffic Safety Administration

Announcement of the First Meeting; Heavy Truck Subcommittee of the Motor Vehicle Safety Research Advisory Committee

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

ACTION: Meeting announcement.

SUMMARY: This notice announces the first meeting of the Heavy Truck Subcommittee of the Motor Vehicle

Safety Research Advisory Committee (MVSRAC). The MVSRAC established this subcommittee at the February 1988 meeting to examine research questions regarding crashworthiness and crash avoidance for vehicles over 10,000 pounds GVWR. This meeting will seek to identify the specific research activities that the Heavy Truck Subcommittee will initially address.

DATE AND TIME: The meeting is scheduled for July 26, 1988, from 10:00 a.m. to 4:30 p.m.

ADDRESS: The meeting will be held in Room 2230 of the U.S. Department of Transportation Building, which is located at 400 Seventh Street SW., Washington, DC.

SUPPLEMENTARY INFORMATION: In May 1987, the Motor Vehicle Safety Research Advisory Committee was established. The purpose of the Committee is to provide an independent source of ideas for safety research. The MVSRAC will provide information, advice, and recommendations to NHTSA on matters relating to motor vehicle safety research, and provide a forum for the development, consideratioin, and communcation of motor vehicle safety research, as set forth in the MVSRAC Charter.

The meeting is open to the public, and participation by the public will be determined by the Subcommittee Chairman.

A public reference file (Number 88–01—Heavy Truck Subcommittee) has been established to contain the products of the subcommittee and will be open to the public during the hours of 8:00 a.m. to 4:00 p.m. at the National Highway Traffic Safety Administration's Technical Reference Division in Room 5108 at 400 Seventh Street SW., Washington, DC 20590, telephone: (202) 366–2768.

FOR FURTHER INFORMATION CONTACT: William A. Leasure, Jr., Chairman, Heavy Truck Subcommittee, Office of Research and Development, 400 Seventh Street SW., Room 6220, Washington, DC 20590, telephone: (202) 366–5663.

Issued on: June 15, 1988.

Howard M. Smolkin,

Chairman, Motor Vehicle Safety Research Advisory Committee.

[FR Doc. 88–13848 Filed 6–17–88; 8:45 am]

BILLING CODE 4910–59–M

UNITED STATES INFORMATION AGENCY

Culturally Significant Objects Imported for Exhibition; Determination

Notice is hereby given of the following determination: 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 FR 13359, March 29, 1978), and Delegation Order No. 85–5 of June 27, 1985 (50 FR 27393, July 2, 1985), I hereby determine that the objects to be included in the exhibit, "Russian and Soviet Paintings, 1900–1930: Selections from the State Tretyakov Gallery, Moscow, and the State Russian Museum, Leningrad" (see list [1]) imported from abroad for the temporary exhibition without profit within the United States are of cultural significance. These objects are imported pursuant to loan agreements with the foreign lenders. I also determine that the temporary exhibition or display of the listed exhibit objects at the Hirshhorn Museum and Sculpture Garden, Smithsonian Institution, Washington, DC beginning on or about July 12, 1988, to on or about September 25, 1988, is in the national interest.

Public notice of this determination is ordered to be published in the **Federal Register.**

C. Norman Poirier,

Acting General Counsel.

Date: June 14, 1988.

[FR Doc. 88–13825 Filed 6–17–88; 8:45 am]

BILLING CODE 8230–01–M

[1] A copy of this list may be obtained by contacting Mr. R. Wallace Stuart of the Office of the General Counsel of USIA. The telephone number is 202–485–7988, and the address is Room 700, U.S. Information Agency, 301 4th Street, SW., Washington, DC 20547.

Sunshine Act Meetings

Federal Register
Vol. 53, No. 118
Monday, June 20, 1988

This section of the FEDERAL REGISTER contains notices of meetings published under the "Government in the Sunshine Act" (Pub. L. 94-409) 5 U.S.C. 552b(e)(3).

FEDERAL DEPOSIT INSURANCE CORPORATION

Agency Meeting

Pursuant to the provisions of the "Government in the Sunshine Act" (5 U.S.C. 552b), notice is hereby given that at 3:15 p.m. on Tuesday, June 14, 1988, the Board of Directors of the Federal Deposit Insurance Corporation met in closed session to consider: (1) Matters relating to the possible closing of certain insured banks; and (2) matters pertaining to the Corporation's corporate activities.

In calling the meeting, the Board determined, on motion of Director C.C. Hope, Jr. (Appointive), seconded by Director Robert L. Clarke (Comptroller of the Currency), concurred in by Chairman L. William Seidman, that Corporation business required its consideration of the matters on less seven days' notice to the public; that no earlier notice of the meeting was practicable; that the public interest did not require consideration of the matters in a meeting open to public observation; and that the matters could be considered in a closed meeting by authority of subsections (c)(2), (c)(8), (c)(9)(A)(ii), and (c)(9)(B) of the "Government in the Sunshine Act" (5 U.S.C. 552b(c)(2), (c)(8), (c)(9)(A)(ii), and (c)(9)(B)).

The meeting was held in the Room 6020 of the FDIC Building located at 350 7th Street, NW., Washington, DC.

Dated: June 15, 1988.

Federal Deposit Insurance Corporation.

Robert E. Feldman,

Deputy Executive Secretary.

[FR Doc. 88-13855 Filed 6-15-88; 4:04 pm]

BILLING CODE 6714-01-M

NEIGHBORHOOD REINVESTMENT CORPORATION

Annual Meeting

TIME AND DATE: 12:00 p.m., Tuesday, June 21, 1988.

PLACE: Neighborhood Reinvestment Corporation, 1325 G Street, NW., Suite 800, Washington, DC 20005.

STATUS: Open.

CONTACT PERSON FOR MORE INFORMATION: Bonnie Nance Frazier, Director of Communications, 376-2623.

MATTERS TO BE CONSIDERED:

1. Appointment of Audit Committee
2. Election of Officers
3. Officer Compensation Program
4. Executive Director's Report
5. Treasurer's Report

Carol J. McCabe,

Secretary.

[FR Doc. 88-13934 Filed 6-16-88; 3:46 pm]

BILLING CODE 7570-01-M

Corrections

Federal Register
Vol. 53, No. 118
Monday, June 20, 1988

This section of the FEDERAL REGISTER contains editorial corrections of previously published Presidential, Rule, Proposed Rule, and Notice documents and volumes of the Code of Federal Regulations. 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.

DEPARTMENT OF AGRICULTURE

Office of the Secretary.

7 CFR Part 2

Amendment of Delegations of Authority

Correction

In rule document 88-13163 beginning on page 21977 in the issue of Monday, June 13, 1988, make the following correction:

On page 21977, in the third column, the text appearing after "amendatory instruction 1" and preceding the "**[Amended]**" line should read:

Authority: 5 U.S.C. 301 and Reorganization Plan No. 2 of 1953.

Subpart C—Delegations of Authority to the Deputy Secretary, the Under Secretary for International Affairs and Commodity Programs, the Under Secretary for Small Community and Rural Development, and Assistant Secretaries

BILLING CODE 1505-01-D

ENVIROMENTAL PROTECTION AGENCY

[OPTS-51706;FRL-3386-5]

Toxic and Hazardous Substances; Certain Chemicals Premanufacture Notices

Correction

In notice document 88-11841 beginning on page 19030 in the issue of Thursday, May 26, 1988, make the following corrections:

1. On page 19033, in the first column, under **P 88-1207**, the fifth line should read "methylproprnyloxypropyl 4-"

2. On page 19034, in the first column, under **P 88-1229**, in the seventh line, "LD50 5 /kg species (Rat)" should read "LD50 5 g/kg species (Rat)".

3. On the same page, in the second column, under **P 88-1240**, in the third line, "Hydroxy" was misspelled.

4. On page 19035, in the third column, in the 23rd line from the bottom, "**P 88-1275**" should read "**P 88-1273**".

5. On page 19036, in the third column, under **P 88-1290**, in the last line, "irritation" was misspelled.

BILLING CODE 1505-01-D

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 1010

[Docket No. 86N-0211]

Performance Standards for Electronic Products; General; Variances From Performance Standards

Correction

In proposed rule document 88-12335 beginning on page 20137 in the issue of Thursday, June 2, 1988, make the following correction:

On page 20138, in the second column, in the second complete paragraph, in the 16th line, "5 U.S.C." should read "5 U.S.C. 552".

BILLING CODE 1505-01-D

federal register

Monday
June 20, 1988

Part II

Department of Justice

Office of Juvenile Justice and Delinquency Prevention

Final Fiscal Year 1988 Program Priorities Under the Missing Children's Assistance Act; Notice

DEPARTMENT OF JUSTICE

Office of Juvenile Justice and Delinquency Prevention

Missing Children's Assistance Act; Final Program Priorities; Fiscal Year 1988

AGENCY: Office of Juvenile Justice and Delinquency Prevention, Justice.

ACTION: Notice of Final FY 1988 Program Priorities under the Missing Children's Assistance Act.

SUMMARY: The Office of Juvenile Justice and Delinquency Prevention (OJJDP) is publishing its final program priorities for making grants and contracts under the Missing Children's Assistance Act, Title IV of the Juvenile Justice and Delinquency Prevention Act of 1974, for the fourth year of the Missing Children's Program.

FOR FURTHER INFORMATION CONTACT: Mary Witten Neal, Director, Missing Children's Program, Office of Juvenile Justice and Delinquency Prevention, 633 Indiana Avenue NW., Washington, DC 20531. (202) 724–7655.

SUPPLEMENTARY INFORMATION:

Priority Programs

Responsibility for establishing annual research, demonstration, and service program priorities for making grants and contracts pursuant to section 406 of the Missing Children's Assistance Act rests with the Administrator of the Office of Juvenile Justice and Delinquency Prevention. As required by the Act, the Administrator announced proposed program priorities on March 17, 1988, and invited public comment on these priorities for 60 days. The proposed funding priorities were established as required by the Missing Children's Assistance Act in consultation with the Missing Children's Advisory Board appointed by the Attorney General. The Administrator is now announcing the establishment of the final funding priorities.

The final funding priorities are as follows:

1. Model Community Program

The purpose of this program is to design and implement a community organization and planning strategy to guide comprehensive program development focused on missing and exploited children. The program would promote specific programmatic and procedural prototypes to serve this youth population, and suggest organizational, planning and program development strategies to coordinate and concentrate the resources of the juvenile service system to address the issue of missing and exploited children, with emphasis on the family and mobilizing volunteers.

2. Parent/Family Abductions

This program will address the complex legal issues of child abductions by parents and family members. The strengths and weaknesses in current public and private sector approaches to the problem will be identified. Emphasis is to be placed on providing instructional assistance regarding legal and jurisdictional difficulties in dealing with the problem.

3. Assistance to Private Voluntary Organizations

The grants are intended to expand the capacity of private voluntary organizations serving missing and exploited children.

Listed below are programs under section 406 of the Missing Children's Assistance Act that are continuation programs for FY 1988.

National Study of Law Enforcement Agencies' Policies and Practices Regarding Missing Children and Homeless Youth

This study describes current law enforcement policies and practices and identifies the most effective law enforcement methods for handling reports and investigating, identifying, and recovering children who may be missing or homeless and at risk of exploitation. It also provides better estimates of the number of cases of missing children reported to law enforcement agencies annually.

The Child Victim as Witness Research and Development Program

This study designs, implements and tests new strategies to be used to improve court policies and practices for handling child victim witnesses.

Assistance to State Clearinghouses for Missing and Exploited Children

This program, administered by the National Center for Missing and Exploited Children, solicits applications from states to assist in the development, coordination and exchange of uniform data with regard to missing children.

Listed below are programs under section 404 of the Missing Children's Assistance Act that are continuing funding priorities for FY 1988.

The National Center for Missing and Exploited Children

The National Center for Missing and Exploited Children will continue to (1) operate a national toll-free telephone line by which individuals may report information regarding the location of missing children; (2) provide technical assistance in the location and recovery of missing children and in the prevention, investigation, prosecution and treatment of missing and exploited child cases; (3) coordinate public and private programs which locate, recover, or reunite missing children with their legal custodian; and (4) disseminate information about innovative and model missing children's programs, services and legislation.

(Sec. 404(a)(3), 404(b)(1))

National Incidence Study

This study will continue the process for obtaining reliable estimates of the number of missing children, profiles of missing children and the circumstances surrounding the missing episodes.

(Section 404(b)(3))

Institute for Non-Profit Organization Management (INPOM)

This program will continue to serve as a national resource center and clearninghouse focusing on assistance to private voluntary organizations working on the issue of missing and exploited children.

(Section 404(b)(2))

Discussion of Comments

In response to the Federal Register Notice of March 17, 1988, OJJDP received three letters. All responses supported the Office's proposal to award grants to private voluntary organizations. The program to address the legal issues of parent/family abductions was also supported. The letters also addressed specific issues listed below:

Comment: One commentator suggested that law enforcement agencies need to provide training in the field of abduction.

OJJDP Response: Law enforcement personnel receive training in missing and exploited child cases through the Federal Law Enforcement Training Program and the National Center for Missing and Exploited Children. In accordance with the FY 1987 funding priority, training for juvenile justice decisionmakers on missing and exploited cases is being developed and implemented through a grant to the National Council of Juvenile and Family Court Judges. Finally, the Office is funding the National Study of Law Enforcement Policies and Practices Regarding Missing Children and Runaway Youth to foster a better

understanding of current practices in handling such cases.

Comment: Comments regarding the grants to private voluntary organizations questioned the funding for other than direct services, the dollar limit on each award, the clarity of the application package, and the practice of making the awards on a first-come, first-served basis.

OJJDP Response: OJJDP's grants to private voluntary organizations, following the specific requirements of section 406(a), support a variety of programs related to missing and exploited children, including, but not limited to, those which provide direct services to child victims and their families. The dollar amount available to each eligible organization will continue to be limited to a maximum of $25,000 in order to enable a greater number of sites to receive the grants. The grant application process was simplified to minimize the burden on private voluntary organizations applying for the funds. Finally, applicants will continue to be required to provide both specific documentation on financial and administrative matters and letters of support from district attorneys or judges in their communities. Once this documentation is included and the application meets the program and budget criteria for an eligible program, the money is awarded to qualified organizations until the designated funds are exhausted.

Comment: The role of the National Center for Missing and Exploited Children as a direct service provider and central authority, as well as the function of its toll-free telephone line, was questioned.

OJJDP Response: Established as a national clearinghouse and resource center, the purpose of the National Center is to provide technical assistance, disseminate information and coordinate programs relating to missing and exploited children, not to provide direct services. Their ability to serve as a central authority for the reporting of all missing child cases is dependent upon the willingness of the other parties involved to supply them with the appropriate information.

The Center has no control over the types of incoming calls made to their toll-free number. They receive requests for information, as well as calls reporting child sightings and disappearances. In the interest of delivering the best possible advice regarding missing children, the Center provides technical assistance and informational materials and make appropriate referrals. Such procedures are consistent with the statute that provides "* * * individuals may * * * request information pertaining to procedures necessary to reunite such child with such child's legal custodian" (Section 404(b)(1)).

Dated: June 14, 1988.

Approved.

Diane M. Munson,

Acting Administrator, Office of Juvenile Justice and Delinquency Prevention.

[FR Doc. 88-13792 Filed 6-17-88; 8:45 am]

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federal register

Monday
June 20, 1988

Part III

Department of Justice

Office of Juvenile Justice and Delinquency Prevention

Program Announcement; Reunification of Missing Children; Notice

DEPARTMENT OF JUSTICE

Office of Juvenile Justice and Delinquency Prevention

Program Announcement; Reunification of Missing Children

AGENCY: Office of Juvenile Justice and Delinquency Prevention, Justice.

SUMMARY: The Office of Juvenile Justice and Delinquency Prevention (OJJDP), pursuant to section 406(a)(2) and (4) of the Missing Children's Assistance Act, Title IV of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, announces a new OJJDP development initiative to assess, develop, test and disseminate information on prototypical approaches for the Reunification of Missing Children with their families.

The purpose of the development initiative is to identify promising or effective strategies to assist families in adjusting to the return of a missing child.

OJJDP invites public agencies or nonprofit private agencies, or combinations thereof, to submit competitive applications to develop prototypical (model) approaches to reunifying missing children with their family. The development program includes four stages: (1) Identification and assessment of existing information on child/family relationships in stressful situations and selected programmatic approaches; (2) prototype (model) development based on the assessment; (3) development of training and technical assistance materials to transfer the prototype design; and (4) testing of the prototypes.

OJJDP has allocated up to $175,000 to conduct the first two stages which are to be completed in nine (9) months. Assessment Stage—5 months; Prototype Stage—4 months. The initial budget period will be for nine (9) months. Upon completion of the prototype, a decision will be made regarding support for the last two stages. The project period may go up to three years. One cooperative agreement will be awarded. Applicants are encouraged to present cost-competitive proposals.

The deadline for receipt of applications is July 27, 1988.

FOR FURTHER INFORMATION CONTACT: Lois T. Keck, Research and Program Development Division, (202) 724–7560 or Robert Heck, Special Emphasis Division (202) 724–5914, OJJDP, 633 Indiana Avenue NW., Washington, DC 20531.

SUPPLEMENTARY INFORMATION:

I. Introduction

This solicitation to develop prototypical approaches to the Reunification of Missing Children is issued by the Office of Juvenile Justice and Delinquency Prevention (OJJDP). The solicitation addresses the Missing Children's Assistance Act that authorizes the Administrator of OJJDP to: make grants to and enter into contracts with public agencies or nonprofit private organizations, or combinations thereof, for research, demonstration projects or service programs designed to provide information to assist in the locating and return of missing children. Title IV, sections 406(a)(2) and (4).

Many efforts focused on missing children have been dedicated to the location of these children. Comparatively little attention has been given to the creation of support services to aid families in readjusting to the return of a missing child. The problem of reunifying children who have been missing with their lawful custodians is complex. Based on our review of the literature, little research has been conducted specifically on this issue.

One empirical study on the return of missing children was done by Lenore C. Terr (1981). She presented a detailed review of the Chowchilla School-Bus Kidnapping. Her findings and theoretical speculations indicated that every child involved in the kidnapping showed signs of emotional psychic trauma. However, she provided no recommendations for assisting the families in adjusting to the return of the children. Her study was primarily a descriptive one that placed emphasis on data gathering and understanding what happened to the children while missing. The mere opportunity for the children to review and describe the entire chain of events within the first year following the incident may have afforded the victims and their families some minimal emotional relief. However, based on her findings four years later, these efforts had not been particularly effective in preventing post-traumatic symptoms in the children. This is but one of the many aspects of family reunification that needs to be examined.

This program is designed to develop prototypical policies and procedures for law enforcement, social services and other relevant programs for reunifying missing children with their families, as well as provide information that may assist families in identifying support services.

II. Program Goals and Objectives

A. Goals

1. To increase understanding of the factors that need to be addressed in reunifying missing children with their families;

2. To identify promising strategies that assist families in adjusting to the return of a missing child, including the adjustment of siblings as well as parents.

3. To identify support services, if any, that have been provided by agencies involved in returning missing children (i.e., law enforcement, mental health, missing children's centers).

4. To identify techniques to assist custodial parents with the reunification of a returned child whose appearance and personality have changed or a returned child who was given negative information about the other parent.

5. To improve the capability of law enforcement, social services and other community agencies to effectively reunify missing children with their families.

B. Objectives

1. Assess existing information regarding the reunification of missing children, and reunification approaches that address the needs of families of missing children, develop criteria for identifying promising approaches, and review and describe operational promising programs;

2. Develop prototypes based on research and the assessment of selected operational programs;

3. Develop a dissemination strategy and related training and technical assistance materials to transfer the prototypes to selected sites; (Applicants are advised that this stage of the program development initiative will not be funded during the initial budget period); and,

4. Test program prototypes; (Applicants are advised that this stage of the program development initiative will not be funded during the intitial budget period).

III. Program Strategy

OJJDP's planning and program development activities are guided by a framework that specifies four sequential phases of development: Research, Development, Demonstration and Dissemination. This framework guides the decision-making process regarding the funding of future stages of the program.

This program is a development initiative. The purpose of the development initiative is to develop

prototype/models and to determine their effectiveness through a controlled testing process. The program will be conducted in four discrete incremental stages. The four stages include: (1) An assessment of the information on return and reunification of missing children and child/family relationships in stressful situations; (2) a comprehensive description of the development, implementation and operation of prototypical programs; (3) the development of a training and technical assistance package in order to provide intensive training to test sites that are implementing the prototype; and (4) testing of the prototypes. During the 9-month budget period, it is expected that stages one and two will be completed.

All technical and subject matter portions of the program will be guided by recommendations of an advisory committee established specifically for the program. The advisory committee will provide comments and recomendations regarding the strategies and activities for this program. It may be necessary to change or supplement advisory committee members for different stages of the program; however, the objective will be to select technical and subject matter experts capable of addressing issues related to each of the program states. The advisory committee members should have combined expertise in juvenile justice system research and evaluation; training and technical assistance development and delivery; and knowledge of missing and exploited children, family counseling, crisis intervention, and psychological assessment of stress and traumatization.

Each stage of the incremental program development process detailed below is designed to result in a complete and publishable product (e.g., final assessment report), and a dissemination strategy to inform the field of the development of the program and the results and products of each stage. This award is providing funds for stages I and II. A decision is made at the completion of each stage, based on availability of funds, and the quality and utility of the products, whether to invest additional funds to complete the current stage or terminate the program.

A. Stage I—Assessment

The first stage of the program consists of an assessment that will include: (1) A literature review to identify significant issues and problems involved in the reunification of missing children; (2) a summary of the types of families who seek treatment toward reunifying their family and the system's response to these families; (3) identification of the essential components of an effective approach to reunification of missing children; and (4) preliminary testing design guidelines for use in the testing phase.

The purpose of the literature review is to identify the most definitive theoretical and empirical research findings in order to appy them to the review of existing programs, and the development of prototypical model(s).

The recipient will apply the results of the literature review to the development of criteria for identifying promising approaches to reunification of missing children, and use the criteria to select programs for review and documentation. Information to be collected and assessed should include, at a minimum, the historical development of the programs; conceptual framework/theoretical assumptions, definition of the target populations and subsequent system services for the families; identification of services and treatment modalities; number and type of families served; program costs per unit of service and per client; evaluation findings, if applicable; sources of funding; staffing requirements; and program approach to management and administration.

The assessment should provide the basis for refining the goals and objectives of the development program. Specifically, it should identify the key questions that need to be answered regarding the feasibility and effectiveness of the program. Therefore, based on the literature review and the results of the program assessment, the recipient will recommend specific programs or components of programs to be used as a basis for program prototype development.

1. Activities

The major activities of this stage are:

- Establishment of a program advisory committee;
- Development of the assessment plan;
- Review of the literature;
- Development of criteria for identifying promising programs;
- Identification and description of operational promising programs;
- Development of preliminary testing design guidelines;
- Preparation of the assessment report; and
- Development and implementation of a dissemination strategy.

2. Products

The products to be completed during this stage are:

- Assessment Plan—specifying in detail, the approach and activities to be undertaken for each step of the assessment stage;
- Draft and final report on the results of the assessment that includes:

—Literature review;
—Criteria for identifying promising programs;
—Description of operational promising programs and approaches;
—Recommendations for refining the goals and objectives of the program;
—Recommendations for developing prototypical/model approaches; and
—Preliminary testing design guidelines.

- Dissemination strategy to inform the field of the development of the program, and the products and results of this stage.

B. Stage II—Prototype Development

Upon successful completion of stage I, and with the approval of OJJDP, the recipient will develop prototype designs for the development, implementation, and operation of programs for the reunification of missing children. The prototype designs will be accompanied by detailed policy and procedure manuals to be developed by the recipient. The activities and products of this stage will be based on the information generated by the assessment. Appropriate technical and subject matter expertise will be utilized to design the prototypes that will be based, in part, on the operational programs described in the preceding stage.

The prototype design and related policies and procedures will provide guidance regarding: identification of the appropriate target group; relationship of the program to other public and private youth-serving agencies; funding program organization and management; the philosophy and content of the intervention; resource development; program monitoring; and evaluation of program effectiveness. The prototype designs and accompanying policies and procedures manuals will be used as the basis for the development of a training and technical assistance package if stages III and IV of this initiative are funded. The information will become part of the dissemination package to be disseminated to appropriate state and local agencies, depending on the nature and auspices of each prototype.

1. Activities

The major activities of this stage are:

- Preparation of a plan for developing the prototypes and related policies and procedures;
- Development of the prototypes and related policies and procedures;

• Participation and review by the program advisory committee; and
• Development and implementation of a dissemination strategy.

2. Products

The products to be completed during this stage are:
• Plan for prototype development specifying, in detail, the approach and activities to be undertaken for each step of this stage, and the projected costs on a monthly basis;
• Draft and final prototype design(s) and related policies and procedures manual(s); and
• Dissemination strategy to inform the field of the development of the program, products and results of this stage.

C. Stage III—Training and Technical Assistance

While a decision to develop training and technical assistance materials and to test the prototype design(s) will be made during or following completion of the prototype development stage, the applicant is expected to explain the methods and approaches that would be employed to implement these stages. As noted, funds for this stage and the testing stage will be provided through non-competitive continuation awards. In order to ensure the applicant's full understanding of the entire development effort, the initial application must address and explain the implementation and coordination of all four stages of the initiative (i.e., assessment, prototype development, training and technical assistance development, and testing).

Upon successful completion of stage II, and with the approval of OJJDP, the recipient will transfer the prototype design(s), including policies and procedures, into a training and technical assistance package. A comprehensive training manual must be developed to encourage and facilitate implementation of the prototypes. The training manual must outline the major issues that need to be addressed in developing programs for the reunification of missing children, and detail program prototypes. The training manual should be the focal point of the entire training and technical assistance package. The primary audience will be policymakers and practitioners involved in resource allocation and program development related to families of missing children. The manual must be designed for a formal training setting, and for independent use in jurisdictions that do not participate in formal training sessions. Therefore, the manual should include a complete description of the prototype and incorporate related policies and procedures. The manual should contain instructions and supplementary materials for trainers to facilitate presentation, and ensure understanding and successful adaptation and implementation of the prototypes.

1. Activities

The major activities of this stage are:
• Preparation of a plan for developing the training and technical assistance package;
• Development of the training and technical assistance materials;
• Recruitment and preparation of the training and technical assistance personnel;
• Testing of the training curriculum manual;
• Participation and review by the advisory committee; and,
• Development and implementation of a dissemination strategy that may include workshops or seminars for private volunteer organizations, missing children's centers, and other practitioners involved with families of missing children.

2. Products

The products to be completed during this stage are:
• Plan for the development of the training and technical assistance package;
• Identification of training and technical assistance personnel;
• Draft and final training and technical assistance package, including the training curriculum manual and information materials; and,
• Dissemination strategy to inform the field of the development of the program, and the products and results of this stage.

D. Stage IV—Prototype Implementation and Testing

This stage of the program consists of a test, in selected jurisdictions, of the prototypes developed in stage II. The recipient will be required to assist the OJJDP in developing a solicitation to make awards to test sites. It will also be required to provide intensive training and technical assistance to help the test sites implement the prototypes on an experimental basis. Finally, the grantee will be expected to work cooperatively with an independent evaluator to ensure the integrity of the data collection and feedback activities.

1. Activities

The major activities of this stage are:
• Develop recommendations for a program announcement to select test sites;
• Assist OJJDP in review and selection of test sites;
• Provide intensive training and technical assistance to test sites regarding the implementation of prototypes on an experimental basis;
• Develop procedures for working cooperatively with the program evaluator, particularly in the areas of data collection and feedback; and,
• Develop and implement a dissemination strategy.

2. Products

The major products for this stage are:
• Recommendations for the program announcement for test sites;
• Plan for providing training and technical assistance to test sites; and,
• Dissemination strategy to inform the field of the development of the program, and the products and results of this stage.

IV. Dollar Amount and Duration

Up to $175,000 has been allocated for the initial award. One cooperative agreement will be awarded competitively, with an initial budget period of nine (9) months. This development program will consist of four stages (assessment; prototype development; policies and procedures, training, technical assistance; and testing). The initial award will provide support for stages I and II. One or more noncompetitive supplements may be awarded within a three year project period.

The noncompetitive continuation award for the additional budget period may be withheld for justifiable reasons. They include: (1) The results do not justify further program activity; (2) the recipient is delinquent in submitting required reports; (3) adequate grantor agency funds are not available to support the project; (4) the recipient has failed to show satisfactory progress in achieving the objectives of the project or otherwise failed to meet the terms and conditions of the award; (5) a recipient's management practices have failed to provide adequate stewardship of grantor agency funds; (6) outstanding audit exceptions have not been cleared; and (7) any other reason that would indicate continued funding would not be in the best interest of the Government.

A separate competition will be held to select an organization to perform an independent evaluation of the selected prototypes/models. The organization selected for this award will be ineligible to compete for the evaluation.

V. Eligibility Requirements

Applications are invited from public agencies and nonprofit private organizations. Applicant organizations may choose to submit joint proposals with other eligible organizations as long as one organization is designated in the application as the applicant and any co-applicants are designated as such. Applicants and co-applicants must demonstrate that they have prior experience in the design, conduct and implementation of research and development programs; demonstrated knowledge of issues associated with missing and exploited children; prior experience in the development and delivery of training or technical assistance; and research and evaluation of the juvenile justice system.

The applicant must also demonstrate that they have the management and financial capability to effectively implement a project of this size and scope. Applicants who fail to demonstrate that they have the capability to manage this program will be ineligible for funding consideration.

VI. Application Requirements

All applicants must submit a completed Application for Federal Assistance (Standard Form 424), including a program narrative, a detailed budget, and budget narrative. All applications must include the information outlined in this section of the solicitation (Section VI) in Part IV, Program Narrative of the application (SF–424). The program narrative of the application should not exceed 70 double-spaced pages in length.

In submitting applications that contain more than one organization, the relationships among the parties must be set forth in the application. As a general rule, organizations that describe their working relationship in the development of products and the delivery of services as primarily cooperative or collaborative in nature will be considered co-applicants. In the event of a co-applicant submission, one co-applicant must be designated as the payee to receive and disburse project funds and be responsible for the supervision and coordination of the activities of the other co-applicant. Under this arrangement, each organization would agree to be jointly and severally responsible for all project funds and services. Each co-applicant must sign the SF–424 and indicate their acceptance of the conditions of joint and several responsibility with the other co-applicant.

Applications that include non-competitive contracts for the provision of specific services must include a sole source justification for any procurement in excess of $10,000.

The following information must be included in the application (SF–424):

A. Organizational Capability

Applicants must demonstrate that they are eligible to compete for this cooperative agreement on the basis of the eligibility criteria established in Section V of this solicitation. Applicants must concisely describe their organizational experience with respect to the eligibility criteria specified in Section V above. Applicants must demonstrate how their organizational experience and capabilities will enable them to achieve the goals and objectives of this initiative. Applicants are invited to append one example of prior work products of a similar nature to their application.

Applicants must demonstrate that their organization has or can establish fiscal controls and accounting procedures that assure Federal funds available under this agreement are disbursed and accounted for properly. Applicants who have not previously received Federal funds will be asked to submit a copy of the Office of Justice Assistance, Research and Statistics (OJARS) Accounting System and Financial Capability Questionnaire (OJARS Forum 7120/1). Copies of the form will be provided in the application kit and must be prepared and submitted along with the application. Other applicants may be requested to submit this form. All questions are to be answered regardless of instructions (Section C.I.B. note). the CPA certification is required only of those applicants who have not previously received Federal funding.

B. Program Goals and Objectives

A succinct statement of your understanding of the goals and objectives of the program should be included. The application should also include a problem statement and a discussion of the potential contribution of this program to the field.

C. Program Strategy

Applicants should describe the proposed approach for achieving the goals and objectives of the development program. A detailed discussion of how each of the initial two stages of the program would be accomplished should be included. Stages three and four should be outlined.

D. Program Implementation Plan

Applicants should prepare a plan that outlines the major activities involved in implementing the program, describe how they will allocate available resources to implement the program, and how the program will be managed.

The plan must also include an annotated organizational chart depicting the roles and describing the responsibilities of key organizational/functional components, and a list of key personnel responsible for managing and implementing the two major elements of the program. Applicants must present detailed position descriptions, qualifications, and selection criteria for each position. Applicants should also provide recommendations for program advisory committee members. This documentation and individual resumes may be submitted as appendices to the application.

E. Time-Task Plan

Applicants must develop a time-task plan for the 9-month project period, clearly identifying major milestones and products. This must include designation of organizational responsibility and a schedule for the completion of the tasks and products identified in Section III. Applicants should also indicate the anticipated cost schedule per month for the entire project period.

F. Products

Applicants must concisely describe the interim and final products of each stage of the program, and must address the purpose, audience, and usefulness to the field of each product.

G. Program Budget

Applicants shall provide a 9-month budget with a detailed justification for all costs, including the basis for computation of these costs. Applicants should include a budget estimate to complete the balance of the program. Applications submitted by co-applicants and/or those containing contract(s) must include detailed budgets for each organization's expenses. The budget should include funds for a three-person Program Advisory Committee to meet twice during the 9-month budget period.

VII. Procedures and Criteria for Selection

All applications will be evaluated and rated based on the extent to which they meet the following weighted criteria. In general, all applications received will be reviewed in terms of their responsiveness to the minimum program application requirements, organizational capability, and thoroughness and innovativeness in responding to strategic issues in project implementation. Applications will be

evaluated by a peer review panel according to the OJJDP Competition and Peer Review Policy, 28 CFR Part 34, Subpart B, published August 2, 1985, at 50 FR 31366–31367. The selection criteria and their point values (weights) are as follows:

A. Organizational Capability (20 Points)

1. The extent and quality of organizational experience in the development, delivery and coordination of research programs that have been national in scope. (10 points)

2. Adequate fiscal controls and accounting procedures to ensure that the applicant can effectively implement a project of this size and scope, and to ensure the proper disbursal and accounting of Federal funds. (10 points)

B. Soundness of the Proposed Strategy (30 points)

Appropriateness and technical adequacy of the approach to each stage of the program for meeting the goals and objectives; and potential utility of proposed products.

C. Qualifiations of Project Staff (20 points)

1. The qualifications of staff identified to manage and implement the program including staff to be hired through contracts. (10 points)

2. The clarity and appropriateness of position descriptions, required qualifications and selection criteria relative to the specific functions set out in the Implementation Plan. (10 points)

D. Clarity and Appropriateness of the Program Implementation Plan (15 Points)

Adequacy and appropriateness of the activities, and the project management structure; and the feasibility of the time-task plan.

E. Budget (15 Points)

Completeness, reasonable, appropriateness and cost-effectiveness of the proposed costs, in relationship to the proposed strategy and tasks to be accomplished.

Applications will be evaluated by a peer review panel. The results of peer review will be a relative aggregate ranking of applications in the form of "Summary of Ratings." These will ordinarily be based on numerical values assigned by individual peer reviewers. Peer review recommendations, in conjunction with the results of internal review and any necessary supplementary reviews, will assist the Administrator in considering competing applications and in selection of the application for funding. The final award decision will be made by the OJJDP Administrator.

VIII. Deadline for Receipt of Applications

Applicants must submit the original signed application and three copies of OJJDP. The necessary forms for applications (Standard Form 424) will be provided upon request.

Applications must be received by mail or hand delivered to the OJJDP by 5:00 p.m. e.s.t. on July 27, 1988. Those applications sent by mail should be addressed to: NIJJDP/OJJDP, U.S. Department of Justice, 633 Indiana Avenue NW., Washington, DC 20531. Hand delivered applications must be taken to the NIJJDP, Room 784, 633 Indiana Avenue NW., Washington, DC, between the hours of 8:00 a.m. and 5:00 p.m. except Saturdays, Sundays or Federal holidays.

The NIJJDP/OJJDP will notify applicants in writing of the receipt of their application. Subsequently, applicants will be notified by letter as to the decision made regarding whether or not their submission will be recommended for funding.

IX. Civil Rights Compliance

A. All recipients of OJJDP assistant including any contractors, must comply with the non-discrimination requirements of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended; Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973 as amended; Title IX of the Education Amendments of 1972; the Age Discrimination Act of 1975; and the Department of Justice Non-Discrimination Regulations (28 CFR Part 42, Subparts C, D, E, and G).

B. In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office of Civil Rights Compliance (OCRC) of the Office of Justice Programs.

C. Applicants shall maintain such records and submit to the OJJDP upon request timely, complete and accurate data establishing the fact that no person or persons will be or have been denied or prohibited from participation in benefits of, or denied or prohibited from obtaining employment in connection with, any program activity funded in whole or in part with funds made available under this program because of their race, national origin, sex, religion, handicap or age. In the case of any program under which a primary financial assistance to any other recipient of Federal funds extends financial assistance to any other recipient or contracts with any other person(s) or group(s), such other recipient, person(s) or group(s) shall also submit such compliance reports to the primary recipient as may be necessasry to enable the primary recipient to assure its civil rights compliance obligations under any award.

X. References

Agopian, M. (1981). Parental Child Stealing. Lexington, MA: *Lexington Books.*

Hotaling, G.T. and Finkelhor, D. (1985). The Sexual Exploitation of Missing Children: A Research Review, Prepared for the Office of Juvenile Justice and Delinquency Prevention, Department of Justice.

Terr, L. (1981). Psychic Trauma in Children: Observations following the Chowchilla School Bus Kidnapping, *American Journal of Psychiatry,* Vol. 138(1), 14–19.

Terr, L. (1983). Chowchilla Revisited: The Effects of Psychic Trauma Four Years After a School Bus Kidnapping, *American Journal of Psychiatry,* Vol. 53(2), 244–260.

Approved:

Date: June 15, 1988.

Verne L. Speirs,

Administrator, Office of Juvenile Justice and Delinquency Prevention.

[FR Doc. 88–13853 Filed 6–17–88; 8:45 am]

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Federal Register

Monday
June 20, 1988

Part IV

Department of Health and Human Services

Food and Drug Administration

21 CFR Ch. I

Pediatric Dosing Information for Over-the-Counter Human Drugs; Intent and Request for Information; Notice of Intent

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Ch. I

[Docket No. 88N-0004]

Pediatric Dosing Information for Over-the-Counter Human Drugs; Intent and Request for Information

AGENCY: Food and Drug Administration.

ACTION: Notice of intent.

SUMMARY: The Food and Drug Administration (FDA) is considering proposing a rule concerning dosing information in the labeling of over-the-counter (OTC) drug products for children under 12 years of age. The agency is considering this action because of advisory review panel recommendations, agency proposals, and comments that have been submitted to other rulemakings as part of the ongoing review of OTC drug products conducted by FDA. The agency is not proposing any regulatory changes in this notice. The purpose of this notice is to present a number of matters that the agency would like interested persons to address and to give interested persons an opportunity to (1) submit comments on how pediatric dosing information should be presented in the labeling of OTC drug products, and (2) present information and data on related issues and problems.

DATES: Written comments by October 18, 1988, and reply comments by November 17, 1988.

ADDRESS: Written comments to the Dockets Management Branch (HFA-305), Food and Drug Administration, Rm. 4-62, 5600 Fishers Lane, Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: William E. Gibertson, Center for Drug Evaluation and Research (HFD-210), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-295-8000.

SUPPLEMENTARY INFORMATION: In the course of FDA's OTC drug review, the advisory review panels that evaluated the safety and effectiveness of OTC drug products and the agency have given particular consideration to appropriate labeling and dosage directions for children. This document discusses the panels' recommendations concerning pediatric dosing information, the agency's proposed pediatric dosage labeling, and comments submitted in response to the panels' recommendatons and agency proposals.

The "OTC Volumes" cited in this document are on public display in the Dockets Management Branch.

I. Advisory Review Panel Recommendations Concerning Pediatric Dosages and the Agency's Adoption of These Recommendations

The advisory review panels varied in their recommendations concerning pediatric dosages for OTC drug products intended for systemic absorption as follows: The basis for their recommendations, the age ranges recommended, and the relationship between children's dosage levels and adult dosage levels. In general, the agency has accepted the panels' recommendations concerning pediatric dosing information and adopted labeling based on these recommendations in tentative final and final monographs for OTC drug products. The following are examples of the various recommendations.

A. Internal Analgesic OTC Drug Products

The Advisory Review Panel on OTC Internal Analgesic and Antirheumatic Drug Products (Internal Analgesic Panel) reviewed the pediatric dosages in the labeling of internal analgesic/antipyretic drug products that were submitted to it (42 FR 35346; July 8, 1977) and noted the absence of a "recognized" pediatric dosage schedule for internal analgesic drug products (42 FR 35366). Data and information submitted to the Panel indicated that the pediatric dosages described in the labeling submitted to it provided children's dosage levels that are too low to be effective (Refs. 1 and 2). The Panel also reviewed the medical literature and standard references such as "AMA Drug Evaluations" (Ref. 3) and the "United States Pharmacopeia 19th Revision" (Ref. 4) to ascertain a basis for appropriate pediatric dosages for internal analgesic drug products (42 FR 35367). In determining the appropriate basis for pediatric dosages, the Panel discussed both the relationship between a child's body surface area and age and between a child's body weight and age (42 FR 35367 and 35368). Because the relationship between body surface area and age for children from ages 3 to 12 years is linear, and the relationship between body weight and age for children in this age group is nonlinear after the age of 7 years, the Panel based its pediatric dosage recommendations for internal analgesics upon the 1.5 grams/meter^2 body surface area daily dosage for that age as described by Done (Ref. 5).

For aspirin and acetaminophen, the Panel recommended a standard adult dosage unit of 325 milligrams (mg) and a standard pediatric dosage unit of 80 mg. Based on these dosage units, the Panel recommended the following pediatric dosages for aspirin and acetaminophen to be given every 4 hours up to five times a day while symptoms or fever persists, or as directed by a physician:

PANEL'S RECOMMENDED DIRECTIONS FOR PEDIATRIC DOSAGES OF ASPIRIN AND ACETAMINOPHEN

Age (years)	Pediatric (80-mg) dosage units		Adult (325-mg) dosage units	
	Number dosage units	Dosage in mg	Number dosage units	Dosage in mg
Under 2	(1)	(1)	(1)	(1)
2 to under 4	2	160	½	162.5
4 to under 6	3	240	¾	243.8
6 to under 9	4	320	1	325.0
9 to under 11	5	400	1¼	406.3
11 to under 12	6	480	1½	487.5

[1] Consult a doctor.

The agency plans to accept, with minor modifications, the Internal Analgesic Panel's recommended dosages for children for aspirin and acetaminophen in the proposed rule for OTC internal analgesic drug products, to be published in a future issue of the **Federal Register.** The agency plans to propose the following directions for pediatric dosages of acetaminophen, aspirin, and sodium salicylate:

AGENCY'S PROPOSED DIRECTIONS FOR PEDIATRIC DOSAGES OF ACETAMINOPHEN, ASPIRIN, AND SODIUM SALICYLATE

Age (years)	Number of 80-mg or 81-mg [1] dosage units	Number of 325-mg [1] dosage units
Under 2	Consult a doctor	Consult a doctor.
2 to under 4.	2	½.
4 to under 6.	3	¾.
6 to under 9.	4	1.
9 to under 11.	4 to 5	1 to 1¼.
11 to under 12.	4 to 6	1 to 1½.

[1] Dose may be repeated every 4 hours while symptoms persist, up to five times a day or as directed by a doctor.

References

(1) OTC Volume 030142, Docket No. 77N-0094, Dockets Management Branch.

(2) Clayton, J., *in* "Transcripts of Proceedings, Internal Analgesic Panel," pp. 1–8, April 9, 1976, Dockets Management Branch.
(3) "AMA Drug Evaluations," 2d Ed., American Medical Association, Chicago, pp. 264–265, 1973.
(4) "The Pharmacopeia of the United States of America," 19th Revision, The United States Pharmacopeial Convention, Inc., Rockville, MD, 1975.
(5) Done, A.K., *in* "Proceedings of the Conference on Effects of Chronic Salicylate Administration," edited by R.M. Lamont-Havers and B.W. Wagner, U.S. Government Printing Office, Washington, 1966.

B. Antiemetic OTC Drug Products

The Advisory Review Panel on OTC Laxative, Antidiarrheal, Emetic, and Antiemetic Drug Products (Laxative Panel) made recommendations concerning pediatric dosages for these classes of drug products, but did not specifically discuss the basis for its recommendations (40 FR 12902; March 21, 1975). The Panel made the following dosage recommendations for antiemetic drug products:

Cyclizine hydrochloride. The oral dosage for children 6 to 12 years of age is 25 mg up to three times daily. The oral dosage for adults is 50 to 200 mg daily.

Dimenhydrinate. The oral dosage for children 2 to 6 years of age is 12.5 to 25 mg up to three times daily and the oral dosage for children 6 to under 12 years of age is 25 mg up to three times daily. The adult oral dosage is 200 to 400 mg daily in four divided doses.

Meclizine hydrochloride. No oral dosage for children was recommended. The oral dosage for adults is 25 to 50 mg once daily.

In the final rule for OTC antiemetic drug products (52 FR 15886; April 30, 1987), the agency established dosages for the monograph ingredients that, except for dimenhydrinate, are consistent with the dosages recommended by the Laxative Panel. The agency added dosages for diphenhydramine hydrochloride and established the following dosages for OTC antiemetic drug products in the monograph:

(1) *For products containing cyclizine hydrochloride.* Adult oral dosage is 50 mg every 4 to 6 hours, not to exceed 200 mg in 24 hours or as directed by a doctor. For children 6 to under 12 years of age, the oral dosage is 25 mg every 6 to 8 hours, not to exceed 75 mg in 24 hours or as directed by a doctor.

(2) *For products containing dimenhydrinate.* Adult oral dosage is 50 to 100 mg every 4 to 6 hours, not to exceed 400 mg in 24 hours or as directed by a doctor. For children 6 to under 12 years of age, the oral dosage is 25 to 50 mg every 6 to 8 hours, not to exceed 150 mg in 24 hours or as directed by a doctor. For children 2 to under 6 years of age, the oral dosage is 12.5 to 25 mg every 6 to 8 hours, not to exceed 75 mg in 24 hours or as directed by a doctor.

(3) *For products containing diphenhydramine hydrochloride.* Adult oral dosage is 25 to 50 mg every 4 to 6 hours, not to exceed 300 mg in 24 hours or as directed by a doctor. For children 6 to under 12 years of age, the oral dosage is 12.5 to 25 mg every 4 to 6 hours, not to exceed 150 mg in 24 hours or as directed by a doctor.

(4) *For products containing meclizine hydrochloride.* No oral dosage for children was recommended. The oral dosage for adults is 25 to 50 mg once daily or as directed by a doctor.

C. Miscellaneous Internal OTC Drug Products

The Advisory Review Panel on OTC Miscellaneous Internal Drug Products (Miscellaneous Internal Panel) provided pediatric dosage recommendations for anthelmintic drug products (45 FR 59540; September 9, 1980). Although the Panel did not discuss the basis for pediatric dosages for this class of drugs, it stated that OTC pinworm medication is not recommended for infants and children under 2 years of age or weighing less than 25 pounds (lb), except under the supervision of a physician. The Panel recommended weight-based dosages for pinworm active ingredients for both adults and children over 2 years of age.

In the final rule for OTC anthelmintic drug products (51 FR 27756; August 1, 1986), the agency adopted the Miscellaneous Internal Panel's dosage recommendations for the treatment of pinworm infestation with the active ingredient pyrantel pamoate, i.e., for adults (over 12 years) and children 2 to under 12 years of age, the oral dosage is a single dose of 5 mg per lb or 11 mg per kilogram (kg) of body weight not to exceed 1 gram (g). The agency also included in the monograph the following table that specifies dosages in mg for specified body weight ranges:

DIRECTIONS FOR DOSAGES OF ANTHELMINTIC DRUG PRODUCTS BASED ON WEIGHT

Weight	Dosage (taken as a single dose)[1]
Less than 25 pounds or under 2 years old.	Do not use unless directed by a doctor.
25 to 37 pounds..	125 milligrams.
38 to 62 pounds..	250 milligrams.
63 to 87 pounds..	375 milligrams.
88 to 112 pounds.	500 milligrams.
113 to 137 pounds.	625 milligrams.
138 to 162 pounds.	750 milligrams.
163 to 187 pounds.	875 milligrams.
188 pounds and over.	1,000 miligrams.

[1] Depending on the product, the label should state the quantity of drug as a liquid measurement (e.g., teaspoonsful) or as the number of dosage units (e.g., tablets) to be taken for the varying body weights. (If appropriate, it is recommended that a measuring cup graduated by body weight and/or liquid measurement be provided with the product.) Manufacturers should present this information as appropriate for their product and may vary the format of this chart as necessary.

D. Cough-Cold OTC Drug Products

The Advisory Review Panel on OTC Cold, Cough, Allergy, Bronchodilator, and Antiasthmatic Drug Products (Cough-Cold Panel) recommended children's dosage directions for many OTC cough-cold active ingredients (41 FR 38312; September 9, 1976). That Panel, stating that it was aware that data on the use in children of most cough-cold drug products was negligible or nonexistent, acknowledged that cough-cold drug products are widely used in the pediatric patient population (41 FR 38333). The Panel stated that optimum dosages of a drug in adults and children are dependent on factors such as the drug itself; individual patient variables such as special sensitivity or tolerance to the specific drug; the age and weight of the patient; and metabolic, pathologic, or psychological conditions in the patient. The Panel believed that, ideally, pediatric dosages should be derived from clinical trials with children, but recognized the extreme difficulties attendant upon such trials. The Panel stated that, traditionally, pediatric dosage calculations for infants and children have been based on body surface area, weight, or age of the child as a proportion of the "usual adult dose." The Panel recognized that determining children's dosages based on age, although convenient, may be the least reliable method because of the large variation in weight of patients at a specific age. However, the Panel stated that OTC drug products have a wide margin of safety and recommended that children's dosages be based on age. The Panel sought the assistance of a panel of experts in pediatric drug therapy (41 FR 38333) in establishing appropriate children's dosages for OTC cough-cold

drug products. Based on the recommendation of that panel of experts, the Panel recommended that for infants under 2 years of age, the pediatric dosage should be established by a physician; for children 2 to under 6 years of age, the dosage be one-fourth the adult dosage; and for children 6 to under 12 years of age, the dosage be one-half the adult dosage. Accordingly, the recommended dosages for children for the active ingredients included in the Panels recommended monograph were based on these dosage guidelines.

Although the Cough-Cold Panel recommended OTC pediatric dosages for children 2 to under 6 years of age for antitussive, 'bronchodilator, expectorant, and nasal decongestant drug products, it recommended that dosages for children in this age group for antihistamine drug products be placed in the professional labeling section of the monograph, i.e., for use only under the advice and supervision of a physician.

In general, the agency adopted the Cough-Cold Panel's recommended dosages for children in proposed rules for OTC antihistamine drug products (50 FR 2200; January 15, 1985 and 52 FR 31892; August 24, 1987), OTC nasal decongestant drug products (50 FR 2220; January 15, 1985), and OTC antitussive drug products (48 FR 48576; October 19, 1983), and in the final rule for OTC antitussive drug products (52 FR 30042; August 12, 1987).

In the proposed rule for OTC antihistamine drug products (50 FR 2200 and 52 FR 31892), the agency established that the OTC dosages for all Category I active ingredients for children 6 to under 12 years of age is one-half the adult dose. In addition, the agency concurred with the Panel and proposed in the tentative final monograph that pediatric dosages for children 2 to under 6 years be placed in the professional labeling section of the monograph (50 FR 2217 and 52 FR 31914). For one drug, chlorcyclizine, the professional labeling included the dosages for both children 6 to under 12 years of age and 2 to under 6 years of age. The professional labeling dosages for all Category I active ingredients, with the exception of triprolidine hydrochloride, for children 2 to under 6 years of age is one-fourth the adult dose. The proposed professional labeling dosages for triprolidine hydrochloride are an oral dose of 0.938 mg every 4 to 6 hours, not to exceed 3.744 mg in 24 hours, for children 4 to under 6 years of age (approximately 37.5 percent of the adult dose); an oral dose of 0.625 mg every 4 to 6 hours, not to exceed 2.5 mg in 24 hours, for children 2 to under 4 years of age (25 percent of the adult dose); and an oral dose of 0.313 mg every 4 to 6 hours, not to exceed 1.252 mg in 24 hours, for infants 4 months to under 2 years of age (12.5 percent of the adult dose) (52 FR 31914).

In the proposed rule for OTC nasal decongestant drug products (50 FR 2220), the agency's proposed OTC dosages for all Category I oral active ingredients for children 6 to under 12 years of age are one-half the adult dose and for children 2 to under 6 years of age are one-fourth the adult dose.

In the final rule for OTC antitussive drug products (52 FR 30042), the agency's established OTC dosages for all monograph oral active ingredients for children 6 to under 12 years of age are one-half the adult dose. The OTC dosages for all Category I active ingredients, except chlophedianol hydrochloride and codeine preparations, for children 2 to under 6 years of age is one-fourth the adult dose. The dosage for chlophedianol hydrochloride for children 2 to under 6 years of age is one-half rather than one-fourth the adult dose and is restricted to use under the supervision of a physician (i.e., is included in the professional labeling section of the monograph). Dosages for codeine preparations for children 2 to under 6 years of age are also restricted to use under the supervision of a physician and are included under the professional labeling section of the monograph. The following dosages for codeine preparations for children 2 to under 6 years of age are weight-based and a calibrated measuring device is required for use in children in this age group:

For products containing codeine ingredients identified in § 341.14(a)(2). (1) Children 2 to under 6 years of age: Oral dosage is 1 mg per kg body weight per day administered in four equal divided doses. The average body weight for each age may also be used to determine dosage as follows: for children 2 years of age (average body weight, 12 kg), the oral dosage is 3 mg every 4 to 6 hours, not to exceed 12 mg in 24 hours; for children 3 years of age (average body weight, 14 kg), the oral dosage is 3.5 mg every 4 to 6 hours, not to exceed 14 mg in 24 hours; for children 4 years of age (average body weight, 16 kg), the oral dosage is 4 mg every 4 to 6 hours, not to exceed 16 mg in 24 hours; for children 5 years of age (average body weight, 18 kg), the oral dosage is 4.5 mg every 4 to 6 hours, not to exceed 18 mg in 24 hours. The manufacturer must relate these dosages for its specific product to the use of the calibrated measuring device discussed in paragraph (3) of this section. If age is used to determine the dose, the directions must include instructions to reduce the dose for low-weight children.

(2) Parents should be instructed to obtain and use a calibrated measuring device for administering the drug to the child, to use extreme care in measuring the dosage, and not exceed the recommended daily dosage.

(3) A dispensing device (such as a dropper calibrated for age or weight) should be dispensed along with the product when it is intended for use in children 2 to under 6 years of age to prevent possible overdose due to improper measuring of the dose.

(4) Codeine is not recommended for use in children under 2 years of age. Children under 2 years may be more susceptible to the respiratory depressant effects of codeine, including respiratory arrest, coma, and death.

II. Comments on Pediatric Dosing Information

In response to the pediatric dosage recommendations of the Cough-Cold Panel and the agency's proposals concerning the Panel's recommendations for antihistamine, antitussive, and nasal decongestant drug products, the agency has received comments from four manufacturers and one manufacturers' association requesting that the pediatric dosages for cough-cold drug products be revised to provide a greater subdivision of age ranges for children under 12 years of age that would more closely approximate weight-based dosages. The comments' revised dosages are based on a standardized pediatric dosing unit and standardized dosing age ranges (as described below) for the drugs in these categories. Copies of these comments are on public display in the Dockets Management Branch (Ref. 1). The agency notes that similar requests for this pediatric dosage revision have not been received in other OTC drug rulemakings to date.

In response to the tentative final monograph for OTC antihistamine drug products (50 FR 2200 and 52 FR 31892), the agency has received comments from one manufacturer and one manufacturers' association requesting that the pediatric dosages for children 2 to under 6 years of age for antihistamine drug products be included in the OTC labeling directions in the monograph. Copies of these comments are on public display in the Dockets Management Branch (Ref. 2).

References

(1) Comment Nos. C00197, C00200, C00201, C00204, C00206, C00207, C00208, C00209, C00210, C00211, CR0005, CR0006, in OTC Volume 00PDNI, Docket No. 88N–0004, Dockets Management Branch.

(2) Comment Nos. C00210 and C00211 in OTC Volume 00PDNI, Docket No. 88N–0004, Dockets Management Branch.

A. Standardized Pediatric Dosage Units

In general, the comments stated that it is important to achieve a consistent approach to pediatric dosing of OTC drug products in the marketplace and in the agency's rulemakings and that the dosage schedules should provide (1) relatively fixed dosage forms, (2) sufficient flexibility in the dosage schedules by basing the schedules on weight and age, (3) the ability to correlate dosing with a greater subdivision of standard age breaks, and (4) ease of physician and consumer use. The comments pointed out that there are significant differences between the pediatric dosing schedules recommended by the Internal Analgesic Panel for internal analgesic drug products (42 FR 35346) and the agency's pediatric dosing schedules for cough-cold drug products such as antihistamines and nasal decongestants. The comments explained that the agency's children's dosages for OTC antihistamine, antitussive, and nasal decongestant drug products provide only two age ranges for children under 12 years of age (6 to under 12 years and 2 to under 6 years, with professional labeling only for the use of antihistamines in the under 6 age group) whereas the Panel's recommendations for the children's dosages for internal analgesics provided the following five age ranges with shorter age spans for children under 12 years of age: 11 to under 12 years, 9 to under 11 years, 6 to under 9 years, 4 to under 6 years, and 2 to under 4 years. According to the comments, the pediatric dosage schedule for internal analgesics is better than the dosage schedules for cough-cold drug products because the internal analgesic dosage schedule correlates more closely with the practice of basing children's dosages to body weight. The comments stated that the use of body weight is widely accepted by pediatricians as a preferred method of determining drug dosages for children. In addition, it is well recognized that variations in weight have a significant impact on appropriate dosage levels for different individuals, and that body weight varies significantly with age for children between the ages of 2 and 12 years because this is a period of rapid growth. Therefore, it is appropriate to have a greater subdivision of age ranges in the recommended dosages for the 2- to 12-year age group so that the dosages correspond better to body weight variations due to rapid growth.

The comments recommended that a standard pediatric dosing unit be established based on both weight and age considerations and suggested that a good standard pediatrric dosing unit would be one-eighth of the adult dose. This standard pediatric dosing unit would correlate with 6-lb increments as a child grows and could be used with the 50th percentile weights for age ranges to produce the following dosing increments for the given age and weight ranges (Ref. 1):

COMMENTS' SUGGESTED STANDARDIZED PEDIATRIC DOSING SCHEDULE

Age (years)	Weight (lb)	Appropriate number of dosing units [1]
4 months to under 1	12 to 17	1
1 to under 2	18 to 23	1.5
2 to under 4	24 to 35	2
4 to under 6	36 to 47	3
6 to under 9	48 to 59	4
9 to under 11	60 to 71	5
11 to under 12	72 to 95	6
12 and over	96 and over	8

[1] 1 dosing unit equals one-eighth adult dose.

The comments pointed out that applying the above dosing schedule to OTC drug products would not result in doses that exceed the currently proposed doses for internal analgesics where toxicity is a real concern, and yet would prevent underdosing of older children at the top end of the cough-cold dosing age range of 6 to under 12 years.

One comment requested that the directions for use for OTC oral antitussive drug products proposed in the tentative final monograph be modified to improve the OTC dosage schedules for children 2 to 12 years of age. The comment specifically addressed the agency's proposed dosage schedule in § 341.74(d)(1)(iv) for dextromethorphan and dextromethorphan hydrobromide (48 FR 48594) and recommended that the dosage schedules for children under the age of 12 have a greater subdivision of age ranges than the dosage schedules proposed in the tentative final monograph. For children under 12 years, the comment recommended eight weight-based and age-related dosage ranges, with both age and weight ranges specified in the labeling, to replace the agency's two proposed age-based ranges in the dosage schedule for dextromethorphan. The comment submitted a report and literature references in support of a safe and effective dose range of 0.3 to 0.5 mg/kg for dextromethorphan and in support of weight-based, age-related dosage schedules for children under 12 years of age in general (Ref. 2).

The comment contended that its recommended dosage schedule provides improvements over the agency's proposed dosage schedule in that it provides more age subdivisions for children under 12 years of age to assure more consistent dosage in a particular dosage range, and it provides a weight-based dosage schedule for children 2 to under 12 years of age that supplements the age-based dosage schedule.

In 1986, the American Academy of Pediatrics considered the dosing recommendations in the tentative final monographs for OTC antihistamine, antitussive, and nasal decongestant drug products and encouraged the agency to accept the comments' recommendations to adopt the more weight-based, age-related dosage ranges for children's dosages of OTC drug products (Ref. 3).

References

(1) Minutes of Meeting, dated February 25, 1985, "Changing Children's Dosage Schedules for OTC Antihistamine and Nasal Decongestant Drug Products to Provide More Age Intervals, to Add Weight-Based Dosages, and to Extend OTC Package Labeling Dosage Schedules for Antihistamines Down to 2 Years of Age," identified as MM00002, Docket No. 76N–052H, Dockets Management Branch.

(2) Comment Nos. C00197 and CR0005, Docket No. 76N–052T, Dockets Management Branch.

(3) Letters from R.J. Roberts, Chairman, Committee on Drugs, American Academy of Pediatrics, to W.E. Gilbertson, FDA, OTC Volume 00PDNI, Docket No. 88N–0004, Dockets Management Branch.

1. *Weight ranges in OTC pediatric labeling.* The comments also recommended that OTC drug labeling should consider the needs of children who are in the 10th or 90th percentile ranges for weight by including weight ranges in addition to age ranges for dosing. One comment requested that manufacturers be permitted to include pediatric dosages based on weight in the labeling of OTC drug products because it is a medically sound alternative. Several comments stated that an additional benefit of optionally available weight-related dosages is that they can be used when a child's weight is known, especially for children that are very large or very small for their age or when children approach the usual age breaks for a given dosing schedule. The comments explained further that dosing

for drugs in the pediatric patient has been recommended on the basis of age, weight, and body surface area; however, there are specific advantages to each of these approaches to determine the proper dose for a pediatric patient. While body surface area may be the most accurate parameter to use in determining the proper dose for a child, body surface area is not a parameter that is commonly used by pediatricians and it is clearly not a parameter that is used by parents. Because changes in weight are reasonably similar to changes in body surface area and the weight of a child is more likely to be known to a pediatrician or a parent than body surface area, dosing based on weight is a reasonable substitute for dosing based on body surface area. However, a child's weight is not always known at the time that a physician recommends a dosage or at the time that a parent is determining the proper dose for a child. Because the age of a child is almost always know, it is the simplest parameter for consumer use in determining the appropriate dose for a child. The comments stated that age can be used as a reasonable guide to growth in the child provided that the wide variations in growth that occur in children are taken into consideration. The comments concluded that weight-based dosages offer a significant benefit for those consumers or health professionals who would like to dose by weight, but that weight-based dosages should be optional in labeling because weight is not always known. The comments also stated that, in order to avoid unnecessary consumer and health professional confusion when such weight-based dosages are made available, all pediatric product labeling that provides weight-based dosages should use the standardized weight schedule provided in the table above.

2. *Standardized pediatric dosages as optional labeling.* Several comments recommended that the pediatric dosage labeling based on more finely subdivided age ranges be optional. One comment requested that this dosage labeling be optional and that it be added to the current dosages in the tentative final monographs to accommodate products intended primarily for pediatric populations. Other comments stated that for those products targeted toward adults, which also provide dosage recommendations for the pediatric patient, it is reasonable to continue to allow the option of using dosages proposed in the tentative final monographs, i.e., dosages for the age ranges 2 to under 6 years and 6 to under 12 years. Other comments did not request that the pediatric dosage labeling based on more finely subdivided age ranges be optional.

3. *Professional labeling for children under 2 years.* Two comments from the same manufacturer recommended that dosages based on the standardized pediatric dosage unit for children under 2 years of age be added to the professional labeling sections of the nasal decongestant and antihistamine monographs. The comments recommended that dosages for nasal decongestant and antihistamine drug products should be as follows: for children 1 year of age, one and one-half times the standardized pediatric dosage unit (one pediatric dosage unit equals one-eighth the adult dose) and for children 4 to 11 months, one standardized pediatric dosage unit. One of the comments provided specific dosages for children 4 and under 24 months of age based on the above standardized pediatric dosage units for the active ingredients acetaminophen, chlorpheniramine, destromethorphan, and pseudoephedrine (Ref. 1). Another comment from the same manufacturer recommended that the following dosages for dextromethorphan based on weight and age for children under 2 years of age be added to the professional labeling sector of the antitussive monograph:

COMMENT'S SUGGESTED PEDIATRIC DOSING SCHEDULE FOR DEXTROMETHORPHAN

Weight		Age (months)	Dextromethorphan	
(kg)	(lb)		Dose every 4–6 hours (mg)	Dosing range (mg/kg)
2.5–5.4	6–11	Under 4	1.25	0.23–0.50
5.5–7.9	12–17	4–11	2.5	0.32–0.45
8.0–10.9	18–23	12–23	3.75	0.34–0.47

Reference

(1) Comment No. C00211, Docket No. 76N–052H, Dockets Management Branch.

4. *Pediatric dosage labeling for OTC cough-cold combination drug products.* Several comments noted that OTC antihistamines, antitussives, nasal decongestants, and internal analgesics are often combined. In order to allow for combination drug products to be labeled with consistent pediatric dosage information, these comments requested that the agency adopt children's dosages for antihistamines, antitussives, and nasal decongestants that are similar to and consistent with the pediatric dosages for internal analgesics. One comment stated that, for products primarily intended for pediatric use, revised cough-cold pediatric dosages similar to those for analgesic/antipyretic dosages would provide consistency among various monographs and allow for consistency in the formulation of combination drug products.

Another comment from a manufacturer stated that the dosages for children 6 to under 12 years of age proposed in the antihistamine tentative final monograph (§ 341.72(d); 50 FR 2216 to 2217) cannot be reconciled with the dosage recommendations of the Internal Analgesic Panel (Pediatric Schedule C; 42 FR 35368). The comment stated further that the combination of a Category I antihistamine and a Category I analgesic/antipyretic has been recommended by both the Cough-Cold Panel (41 FR 38326) and the Internal Analgesic Panel (42 FR 35370). Thus, the comment contended, the 6- to under 12-year age group should not be deprived of the benefit of such a combination drug product. The comment recommended specific pediatric dosages for chlorpheniramine that are consistent with the dosages for analgesic/antipyretic ingredients and that would allow pediatric combination drug products containing these ingredients. The comment contended that no significant safety issue would be involved in allowing such combinations.

Another comment from the same manufacturer stated that there is a need to harmonize the dosage regimens of cough-cold ingredients and internal analgesic/antipyretic ingredients for pediatric use and that failure to provide for consistency in these pediatric dosages for cough-cold and analgesic/antipyretic drug products would result in the removal from the market of combination drug products intended for use in children under 12 years of age. However, the comment did not provide any examples of specific products that would be removed from the market. The comment stated that the agency should not ignore the reality that nasal congestion frequently occurs concurrently with fever and/or pain in children as well as adults. Further, for concurrent symptoms, the administration of few rather than many dosage units to children will meet with less resistance, thereby increasing patient compliance and benefit. The comment provided several examples of the problems that would arise in providing appropriate pediatric dosages for combination drug products containing oral nasal decongestants and analgesics/antipyretics because of the inconsistencies in the dosage

recommendations for these classes of drugs (Ref. 1). The comment stated that these examples emphasize the need for intermonograph consistency for pediatric dosages and that the alternative to consistency among monograph dosages would be a plethora of dosage forms or label directions which would only confuse the consumer needlessly.

Another comment pointed out that although the Internal Analgesic Panel recognized that antitussive/analgesic combination drug products are rational therapy for concurrent symptoms (42 FR 35493), the dosage range proposed by the agency in § 341.74(d)(1)(iv) for dextromethorphan for children 2 to under 12 years of age (48 FR 48594) is incompatible with the pediatric dosage schedule proposed by the Internal Analgesic Panel for aspirin or acetaminophen. The comment argued that the Internal Analgesic Panel's recommended limitation of the maximum daily pediatric doses of aspirin of acetaminophen to no more than five daily doses would preclude a combination drug product containing an internal analgesic ingredient and an antitussive ingredient from providing the maximum permitted daily dose of dextromethorphan, and thereby deprive the child of maximum antitussive benefit. The comment presented the following example: a liquid antitussive/analgesic drug product for use by children 2 to under 11 years of age could be given no more than five times a day thus delivering a maximum of 50 mg dextromethorphan. Because the permitted maximum daily dose of dextromethorphan is 60 mg, the child would be "deprived" of an additional 10 mg dextromethorphan.

The comment maintained that dextromethorphan has a wide margin of safety. Quoting the Cough-Cold Panel's report and the agency's tentative final monograph, the comment stated that "there have been no fatalities 'even with doses in excess of 100 times the normal adult dose' " (41 FR 38340) and "because of its low order of toxicity, dextromethorphan is probably the safest antitussive presently available," (48 FR 48581). The comment argued that it is both safe and sound therapy to permit the total daily amount of dextromethorphan proposed for children to be administered in five rather than six doses. Therefore, the comment urged that the limitations on the amount of dextromethorphan in a single dose be increased to permit the pediatric patient to obtain the maximum potential 24-hour benefit of the dextromethorphan.

Reference

(1) Comment No. C00200, Docket No. 76N-052N, Dockets Management Branch.

B. OTC Labeling of Antihistamine Drug Products for Children 2 to Under 6 Years of Age

One comment presented data from a survey of 200 pediatricians concerning these physicians' use of OTC cough-cold and internal analgesic drug products in children as well as their preferences for the pediatric labeling of these drug products (Ref. 1). When asked whether the pediatricians recommend the use of these products in children in the age ranges of 2 to 5 years and 6 to 14 years, over 90 percent said that they did recommend use in both age ranges with the exception of aspirin. Responses to how the pediatricians determine the dose of cough-cold or internal analgesic drugs for children varied widely from using the "Physician's Desk Reference" (PDR) or pediatric handbooks to personal experience in using the drugs in children. The comment pointed out that these wide variations in determining pediatric doses lead to inconsistent dosing of children. Although the proposed OTC drug labeling provides a basis for consistency in dosing for children 6 years of age and over, dosing for children under 6 years is less consistent if the OTC drug labeling, e.g., the proposed antihistamine labeling, does not provide dosages for children in this age group. The pediatricians were asked for their preferences in dosing parameters in the labeling of OTC drug products, i.e., age, weight, age *and* weight, body surface, or other parameter. The majority (61 to 63 percent) said that they would prefer age *and* weight dosing parameters in the OTC labeling of antihistamines, antitussives, nasal decongestants, and internal analgesics. The survey revealed that the majority (51 percent) of the pediatricians believe that pediatric dosing information for children under 2 years of age in OTC drug labeling would be "very beneficial" and an additional 34 percent believe such labeling would be "somewhat beneficial." In response to a question concerning the comfort level of including pediatric dosing information in OTC drug labeling, most pediatricians expressed a "high comfort level" with such labeling.

Reference

(1) Comment No. C00211, Docket No. 76N-052H, Dockets Management Branch.

III. Agency Response Regarding Changes in Pediatric Dosing Information for OTC Drug Products

After reviewing these comments and other pertinent information, the agency has determined that additional information is required before it will be able to ascertain whether changes are needed in the manner in which pediatric dosing information is presented in the labeling of OTC drug products. The agency is publishing this notice of intent and request for information to elicit further comments and/or data concerning pediatric dosages. The agency is inviting further public comment on the following matters concerning pediatric dosages: (1) Should the agency retain only its current general schedule for pediatric dosing information (i.e., ages 2 to under 6 and 6 to under 12) or expand this format, (2) if the answer is to expand, then how many additional age ranges should be included, and what should these age subdivisions be, (3) should a standard pediatric dosing schedule based on both weight and age be adopted, (4) if the answer is yes, how should this schedule be designated, (5) should this expanded pediatric dosage labeling be required for all OTC drug products or should it be optional, (6) what OTC drug products should this schedule apply to—both to class and dosage form, (7) if an expanded dosage schedule is adopted, are calibrated dosing devices necessary to ensure that the more finely subdivided dosages are accurately administered, and (8) is it safe to provide pediatric dosages for children 2 to under 6 years of age in the OTC labeling directions for antihistamine drug products?

In addressing these questions, consideration should be given to the following factors:

1. A number of comments presented good reasons why additional pediatric age subdivisions and/or weight-based, age-related dosages are scientifically and medically sound and would be beneficial in OTC drug labeling. However, some of these comments requested that such pediatric dosage labeling be optional and stated that it would be reasonable to allow products that are targeted primarily for adults, but that also provide pediatric dosage information in the labeling, to continue to use the pediatric dosage directions proposed in the tentative final monographs. The comments did not elaborate further as to why the requested changes in the pediatric dosage information should not be applicable to all products that contain

pediatric dosage labeling. The reasons for requesting that inconsistent pediatric dosage information be allowed for different types of cough-cold products is unclear. The agency questions why, if the greater subdivision of age ranges in the 2- to 12-year age group provides better dosing that corresponds to body weight variations, this dosing information should not appear on the labeling of all applicable OTC drug products.

2. The agency has received comments recommending revised pediatric dosages for only antihistamine, antitussive, and nasal decongestant drug products. These revised dosages are similar to the pediatric dosing concept that was proposed by the Internal Analgesic Panel for internal analgesic/antipyretic drug products. If the more detailed pediatric dosages are appropriate for the above categories of drugs, it would seem they should also apply to other types of OTC drug products, e.g., expectorants, systemic bronchodilators, antiemetics, and/or systemic laxatives. The basis for requesting more finely subdivided pediatric dosage age ranges for some cough-cold products is that dosages that correlate more closely with weight will provide better dosing of children during the rapid growth age range between 2 and 12 years of age. This reasoning would seem to apply to any systemic drug product. In order to provide consistency in the agency's approach to pediatric dosage directions, the agency would like to identify which drug classes should be affected by revised pediatric dosages and any information that would support a different approach for different drug classes that include systemic drug products. The agency also invites comment as to whether greater age/weight variations would be pertinent for topically applied OTC drugs.

3. The comments did not mention the use of calibrated dosing devices for liquid dosage forms in general to ensure that the requested dosages, which are more finely subdivided than the currently proposed doses, will be given to the child accurately. The agency requests comments as to whether it would be appropriate to direct parents to use calibrated measuring devices for liquid products to facilitate and ensure that the more finely divided doses are administered as accurately as possible when they are given to the child. The agency also invites comments concerning the manner in which solid dosage forms should be formulated to ensure accurate dosing of children, e.g., providing tablets that contain no more than one-eighth to one-fourth the adult dose.

4. For many years, the use of antihistamine drug products in children 2 to under 6 years of age has been restricted to use only under the supervision of a physician. The Cough-Cold Panel did not recommend that dosage labeling for this age group be included in the OTC labeling for antihistamine drug products. The Panel recommended that such labeling be placed in the professional labeling section of the monograph (41 FR 38312), and the agency agreed with the Panel's recommendations in the tentative final monograph (50 FR 2200 and 52 FR 31914). No data concerning the safety of OTC use of antihistamines in children 2 to under 6 years of age were submitted by comments that requested that dosages for this age group be included in the OTC labeling of these drug products. The agency believes that evaluation of information concerning the safety of antihistamine use in children 2 to under 6 years of age without the supervision of a physician is necessary before the agency can make a decision concerning the switch of dosage labeling for this age group for antihistamines from professional use only to OTC labeling for consumer use. The agency is particularly concerned with the safety of OTC use of the antihistamines diphenhydramine hydrochloride and doxylamine succinate in children 2 to under 6 years because these antihistamines produce more drowsiness and depress the central nervous system to a greater extent than other OTC antihistamine ingredients. The agency believes that the use of calibrated measuring devices for these antihistamine drug products in liquid dosage forms and the formulation of solid dosage forms to restrict the amount of ingredient per dosage unit may be necessary to ensure accurate administration of the dosages to children and to prevent possible toxicity in children 2 to under 6 years due to an overdose of an antihistamine drug product. The agency requests specific comment on this matter.

Decisions to revise pediatric dosage labeling in the absence of studies in children that support the safety and effectiveness of such dosage labeling are particularly difficult. The agency requests the submission of further data and information pertinent to the matters discussed above as well as the safety and effectiveness of the requested revised dosage levels for children under 12 years of age. The agency is not proposing any regulatory changes in this document. After the agency evaluates all of the comments, data, and information received, it will determine whether it should propose any regulatory changes in the manner in which pediatric dosing information is presented in the labeling of OTC drug products. Based on the comments, data, and information received, if the agency determines that information concerning the use of antihistamine drug products should appear in the OTC labeling, appropriate proposals to amend the monograph for OTC antihistamine drug products will be made in a future issue of the **Federal Register**.

Interested persons may, on or before October 18, 1988, submit to the Dockets Management Branch (HFA–305), Food and Drug Administration, Rm. 4–62, 5600 Fishers Lane, Rockville, MD 20857, written comments on this notice of intent and request for information. Three copies of all 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 and may be accompanied by a supporting memorandum or brief. Comments replying to comments may also be submitted on or before November 17, 1988.

Comments may be seen in the office above between 9 a.m. and 4 p.m., Monday through Friday.

Dated: April 22, 1988.

Frank E. Young,

Commissioner of Food and Drugs.

[FR Doc. 88–13830 Filed 6–17–88; 8:45 am]

BILLING CODE 4160-01-M

Federal Register

Monday
June 20, 1988

Part V

Department of State

22 CFR Part 136

Personal Property Disposition at Posts Abroad; Interim Rule With Request for Comments

DEPARTMENT OF STATE

22 CFR Part 136

Personal Property Disposition at Posts Abroad

AGENCY: Department of State.

ACTION: Interim Rule with request for comments.

SUMMARY: This action promulgates an interim rule setting forth regulations governing disposition of personal property abroad by certain United States Government employees and contractors, and members of their families. Consistent with the intent of Congress, the purpose of these regulations is to ensure that employees and members of their families do not personally profit from transactions with persons not entitled to exemptions from import restrictions, duties, or taxes. *See* H. Conf. Rep. No. 100–475, 100th Cong., 1st sess. (Dec. 14, 1987), at 142.

DATES: Interim rule is effective June 20, 1988. Interested parties may file comments on this interim rule on or before August 20, 1988.

ADDRESS: Comments may be filed with the Office of the Comptroller, Department of State, Washington, DC 20520.

FOR FURTHER INFORMATION CONTACT: Mr. James Marable, Office of the Comptroller, telephone (703) 875–6918.

SUPPLEMENTARY INFORMATION: This interim final rule is published to implement Title III of the State Department Basic Authorities Act of 1956 ("the Act"), as enacted by section 186 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (Pub. L. 100–204). The interim rule is made effective on June 20, 1988, the effective date of Title III, since in the absence of regulations all dispositions of personal property abroad by covered employees or members of their family would be prohibited by law.

The regulations set forth basic general requirements and procedures. Pursuant to section 303(c) of the Act, the regulations authorize the chief of mission in each foreign country to establish more detailed policies, rules or procedures for application of Title III of the Act in that country.

Section 301(6) of the Act authorizes the exclusion by regulation of items of "minimal value" from the definition of "personal property" subject to restrictions on disposition under the Act. In most countries, the opportunity to realize significant profits from the sale of duty-free of tax-free personal property is limited to high value items such as automobiles, computers, boats, and audio and video equipment. Consequently, these regulations generally define "minimal value" consistent with the determination of "minimal value" by the Administrator of General Services for foreign gift purposes, currently $180.

There are, however, a few countries where import restrictions, tax policies or other special conditions make it possible for persons possessing customs or tax exemptions to accrue substantial personal profits by reselling low value items such as used clothing. In addition to producing personal profits contrary to the intent of the Act, "garage sales" by employees in such countries may be a source of diplomatic embarrassment to the United States. Accordingly, these regulations provide that the chief of mission may control sales of low value items, either by setting a lower ceiling for the "minimal value" exclusion from restriction on sales, by restricting total proceeds or profits from sales of minimal value items, or by restricting the manner in which such goods are sold.

In addition to employees, the Act requires that provisions be placed in contracts to effect coverage of the disposition of personal property by contractors who enjoy importation or tax privileges in a foreign country because of their contractual relationship to the United States Government. These regulations set forth this requirement, which will be implemented as a matter of procurement regulation through a parallel rulemaking in the Federal Acquisition Regulation (48 CFR chapter 1).

Regulatory Flexibility Act

These regulations will not have a significant impact on a substantial number of small entities. They will affect principally Federal employees who enjoy customs or tax exemptions in a foreign country in connection with their employment by the United States Government.

Paperwork Reduction Act

These regulations do not require additional reporting under the criteria of the Paperwork Reduction Act of 1980.

Waiver of Notice of Proposed Rulemaking and 30-Day Delay of Effective Date.

To the extent that these rules or portions thereof are not exempt from the requirements of 5 U.S.C. 553 as relating to personnel, the Secretary of State has determined pursuant to 5 U.S.C. 553 (b)(B) and (d)(3) that good cause exists for waiving the general notice of proposed rulemaking and for making these regulations effective in less than 30 days. Absent effective regulations, all dispositions of personal property by USG employees and family members at posts abroad would be prohibited under the general rule of section 302(a) of the State Department Basic Authorities Act of 1956, as amended. Such a blanket prohibition on sales was not intended by the Congress, would work an undue hardship on covered employees and their families, and would cause the USG to incur transportation expenses in shipping household effects that would otherwise be sold at post.

List of Subjects in 22 CFR Part 136

Government employees, foreign relations.

Accordingly, new Part 136 is added to Title 22, Code of Federal Regulations, as follows:

PART 136—PERSONAL PROPERTY DISPOSITION AT POSTS ABROAD

Sec.

Authority: 22 U.S.C. 4341.

§ 136.1 Purpose.

The primary purpose of these regulations is to ensure that employees and members of their families do not profit personally from sales or other transactions with persons who are not themselves entitled to exemption from import restrictions, duties, or taxes.

§ 136.2 Authority.

Section 303(a) of the State Department Basic Authorities Act of 1956 authorizes the Secretary of State to issue regulations to carry out the purposes of Title III of that Act.

§ 136.3 Definitions.

(a) "Basis" of an item shall include the initial price paid (or retail value at the time of acquisition if acquired by gift), inland and overseas transportation costs (if not reimbursed by the United States Government), shipping insurance, taxes, customs fees, duties or other charges, and capital improvements, but shall not include insurance on an item while in use or storage, maintenance, repair or related costs, or financing charges.

(b) "Charitable contribution" means a contribution or gift as defined in section 170(c) of the Internal Revenue Code, or other similar contribution or gift to a bona fide charitable foreign entity as

determined pursuant to policies, rules or procedures issued by the chief of mission pursuant to 136.5(b).

(c) "Chief of mission" has the meaning given such term by section 102(e) of the Foreign Service Act of 1980 (22 U.S.C. 2902(3).

(d) "Contractor" means: (1) An individual employed by personal services contract pursuant to section 2(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2669(c)), pursuant to section 636(a)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2396(a)(3)), or pursuant to any other similar authority including, in the case of an organization performing services under such authority, an individual involved in the performance of such services; and (2) any other individual or firm that enjoys exemptions from import limitations, customs duties or taxes on personal property from a foreign country in connection with performance of a contract for goods or services when such contract is with the United States Government or an agency or instrumentality thereof or when such contract is directly financed by grant assistance from the United States Government or an agency or instrumentality thereof and the individual or firm is a party to the contract, a subcontractor, or an employee of a contractor or subcontractor.

(e) "Employee" means an individual who is under the jurisdiction of a chief of mission to a foreign country as provided under section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927) and who is—

(1) An employee as defined by section 2105 of title 5, United States Code;

(2) An officer or employee of the United States Postal Service or of the Postal Rate Commission;

(3) A member of a uniformed service who is not under the command of an area military commander; or

(4) An expert or consultant as authorized pursuant to section 3109 of title 5, United States Code, with the United States or any agency, department, or establishment thereof; but is not a national or permanent resident of the foreign country in which employed.

(f) "Family member" means any member of the family of an employee who is entitled to exemption from import limitation, customs duties, or taxes which would otherwise apply by virtue of his or her status as a dependent or member of the household of the employee.

(g) "Foreign country" means any country or territory, excluding the United States, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, American Samoa, Guam, the Virgin Islands, and other territories and possessions of the United States.

(h) Except as otherwise provided by a chief of mission in policies, rules or procedures issued pursuant to § 136.5(b), an item shall be deemed of "minimal value" if its acquisition cost in U.S. dollars (or retail value if received as gift) is within the limit determined by the Administrator of General Services for "minimal value" of foreign gifts under 5 U.S.C. 7342, currently $180. For purposes of determining "minimal value," all constituent parts or components of an audio or visual system, automobile, boat, computer system, or other integrated machine, system or item of equipment must be valued as a single item even if acquired separately, except that spare or superseded parts (e.g., an old set of tires that has been replaced on vehicle) may be valued as separate items.

(i) "Personal property" means any item of personal property, including automobiles, computers, boats, audio and video equipment, and any other items acquired for personal use, except that items properly determined to be of "minimal value" shall not be subject to limitations on disposition except for purposes of § 136.4(d) or as prescribed in policies, rules or procedures issued by a chief of mission.

(j) "Profit" means any proceeds (including cash and other valuable consideration but not including amounts of such proceeds given as charitable contributions) for the sale, disposition or assignment of personal property in excess of the basis for such property.

§ 136.4 Restrictions on dispositions of personal property.

(a) An employee or family member shall not sell, assign or otherwise dispose of personal property within a foreign country except with the prior written approval of the chief of mission or designee, except where the category of dispositions has been authorized to be undertaken without prior written approval in policies, rules or procedures issued by the chief of mission (cf. 136.5(b)(1)).

(b) An employee or family member shall not retain any profit from the sale, assignment or other disposition within a foreign country of personal property that was imported into or purchased in that foreign country and that, by virtue of the official status of the employee, was exempt from import restrictions, customs duties, or taxes which would otherwise apply, when such sale, assignment or other disposition is made to persons not entitled to exemptions from import restrictions, duties, or taxes. An employee or family member shall not profit from an indirect disposition to persons not entitled to such exemptions, such as sale through a third country diplomat acting as a middleman, where the employee or family member knows or should know that the property is being acquired by the third party for resale to persons not entitled to exemptions, except that this restriction shall not apply to sales of personal property to official agencies of the foreign country in accordance with the laws or regulations of that country.

(c) Profits obtained from dispositions of personal property by an employee or family member that cannot be retained under paragraph (b) of this section, including any interest earned by the employee or family member on such profits, shall be disposed of within 90 days of receipt by contribution or gift as defined in section 170(c) of the Internal Revenue Code or by other similar contribution or gift to a bona fide charitable foreign entity as designated by the chief of mission pursuant to § 136.5(b)(11) of this section part.

(d) Except as authorized in advance by the chief of mission on a case-by-case basis, no employee or family member shall sell, assign or otherwise dispose of personal property within a foreign country that was not acquired for bona fide personal use. There shall be a presumption that property that is new, unused or held by the employee or family member in unusual or commercial quantities was not acquired for bona fide personal use. For purposes of this subsection, there is no exemption for items of minimal value (see § 136.3(h)).

(e) No employee or family member shall import, sell, assign or otherwise dispose of personal property within a foreign country in a manner that violates the law or regulations of that country or governing international law.

(f) Violations of the restrictions or requirements of paragraphs (a) through (e) shall be grounds for disciplinary actions against the employee in accordance with the employing agency's procedures and regulations. Employees shall be responsible for ensuring compliance with these regulations by family members.

(g) For purposes of computing profits on personal property dispositions subject to these regulations, proceeds received and costs incurred in a foreign currency shall be valued in United States dollars at the time of receipt or

payment at the rate of exchange that was in effect for reverse accommodation exchanges at U.S. missions at the time of such receipt or payment.

§ 136.5 Chief of mission policies, rules or procedures.

(a) Each chief of mission shall establish a procedure under which employees may request approval for the sale of personal property and for conversion of proceeds of such sale from local currency into U.S. dollars, if applicable. This procedure may be modified to meet local conditions, but must produce a documentary record to be held by the post of the following:

(1) The employee's signed request for permission to sell personal property and, if applicable, to convert local currency proceeds to U.S. dollars;

(2) A description of each item of personal property having more than minimal value, and the cost basis and actual sales price for each item;

(3) All profits received and whether profit is retainable;

(4) Donation to charities or other authorized recipients of non-retainable profits;

(5) Approvals to sell and, if applicable, to exchange proceeds, with any restrictions or refusals of the employee's request noted, signed by the chief of mission or designee; and

(6) For privately owned vehicle transactions, data on purchaser and statement that customs requirements have been met and title has been transferred or arranged with an agent identified on document.

(b) In order to ensure that due account is taken of local conditions, including applicable laws, markets, exchange rate factors, and accommodation exchange facilities, the chief of mission to each foreign country is authorized to establish policies, rules, and procedures governing the disposition of personal property by employees and family members in that country under the chief of mission's jurisdiction. Policies, rules and procedures issued by the chief of mission shall be consistent with the general restrictions set forth in § 136.4, and may include:

(1) Identification of categories of dispositions (e.g., sales of minimal value items) that may be made without prior written approval;

(2) Identification of categories of individuals or entities to whom sales of personal property can be made without restrictions on profits (e.g., other employees, third country diplomats), individuals or entities to whom sales can be made but profits not retained, and individuals or entities to whom sales may not be made;

(3) Requirements to report the total estimated and actual proceeds for all minimal value items, even if such items are otherwise exempted from limitations on profits of sale;

(4) Categories of items of personal property excluded from restrictions on disposition because generally exempt from taxation and import duties under local law;

(5) More restrictive definition of "minimal value" (see § 136.3(h) of this part);

(6) Limitations on manner of disposition (e.g., restrictions on advertising or yard sales);

(7) Limitations on total proceeds that may be generated by dispositions of personal property, including limitations on proceeds from disposition of "minimal value" items;

(8) Limitations on total profits that may be generated by dispositions of personal property, including limitations on profits from dispositions of "minimal value" items;

(9) Limitations on total proceeds from dispositions of personal property that may be converted into dollars by reverse accommodation exchange;

(10) Limitations on the timing and number of reverse accommodation exchanges permitted for proceeds of dispositions of personal property (e.g., only in last six months of tour and no more than two exchange conversions);

(11) Designation of bona fide charitable foreign entities to whom an employee or family member may donate profits that cannot be retained under these regulations.

(12) Designation of post officials authorized to approve on behalf of chief of mission employee requests for permission to sell personal property and requests to convert local currency proceeds of sale to U.S. dollars by reverse accommodation exchange.

(c) All policies, rules, and procedures that are issued by the chief of mission pursuant to paragraphs (a) and (b) of this section shall be announced by notice circulated to all affected mission employees and copies of all such policies, rules and procedures shall be made readily accessible to all affected employees and family members.

(d) Violations of restrictions or requirements established by a chief of mission in policies, rules, or procedures issued by a chief of mission pursuant to paragraphs (a) and (b) of this section shall be grounds for disciplinary actions against the employee in accordance with the employing agency's procedures and regulations. Employees shall ensure compliance by family members with policies, rules or procedures issued by the chief of mission.

§ 136.6 Contractors.

To the extent that contractors enjoy importation or tax privileges in a foreign country because of their contractual relationship to the United States Government, contracting agencies shall include provisions in their contracts that require the contractors to observe the requirements of these regulations and all policies, rules, and procedures issued by the chief of mission in that foreign country.

June 15, 1988.

George P. Shultz,

Secretary of State.

[FR Doc. 88-13847 Filed 6-16-88; 9:32 am]

BILLING CODE 4710-35-M

Federal Register

Monday
June 20, 1988

Part VI

Department of Education

Final Research Priorities; Establishment

DEPARTMENT OF EDUCATION

Final Research Priorities

AGENCY: Department of Education.

ACTION: Establishment of Biennial Research Priorities.

SUMMARY: The Secretary establishes the Department's biennial research priorities for fiscal years 1988 and 1989. These priorities are principal components of the Department's research and development agenda to improve education in the United States.

EFFECTIVE DATE: These priorities take effect either 45 days after publication in the **Federal Register** or later if the Congress takes certain adjournments. If you want to know the effective date of these priorities, call or write the Department of Education contact person.

FOR FURTHER INFORMATION CONTACT: Dr. Lawrence Bussey, Jr. Office of Research, Office of Educational Research and Improvement, U.S. Department of Education, 555 New Jersey Avenue (Suite 610), Washington, DC 20208–1633. Telephone number (202) 357–6249.

SUPPLEMENTARY INFORMATION: On November 20, 1987, the Secretary published in the **Federal Register** (52 FR 44625) a Notice of Proposed Biennial Research Priorities for fiscal years 1988 and 1989. Under section 405 of the General Education Provisions Act, as amended by the Higher Education Amendments of 1986, the Secretary is required to publish proposed research priorities in the **Federal Register** every two years and to allow a period of sixty days for public comments and suggestions.

These research priorities were developed in consultation with researchers, practitioners, civic and business leaders, policymakers, interested citizens, and professional associations all over the country, some of whom participated in a series of regional forums sponsored by the Department. The Secretary may implement some or all of these final priorities in competitions in fiscal years 1988 and 1989 under the Educational Research Grant Program (a Notice of Proposed Rulemaking (NPRM) for this program was published in the **Federal Register** on March 18, 1988 (53 FR 9088)), and the Regional Educational Laboratories and Research and Development Centers Programs (an NPRM for this program was published on March 22, 1988 (53 FR 8408)). In addition, the Secretary may commission papers and undertake research within the Department to implement some or all of the final priorities.

Major Changes in the Proposed Priorities

The Secretary is making changes to the priority on Improvement in Education. Since there was no intention to exclude counseling practices as part of assessing State and local reform initiatives, the Secretary has added counseling practices to the description of this priority.

In addition, the Secretary has made changes to the priority: English Literacy, Including Reading, Writing, and Language Skills. The priority focuses on the study of the acquisition by non- or limited English speaking students of English reading, writing, and language skills. The Secretary has added the phrase "non or limited English speaking students" in the discussion of this priority in order to clarify its meaning.

Finally, the Secretary has made changes to the priority on Technology in Education to clarify that the focus of this priority is on how technology affects assessment, teaching and learning processes, and the restructuring of schools.

Analysis of Comments and Changes

In response to the Secretary's invitation in the notice, twenty parties submitted comments on the proposed biennial research priorities. An analysis of comments and changes to the notice since publication of the proposed biennial research priorities is published as an appendix to these final priorities. Substantive issues are discussed under the priorities to which they pertain. Technical and other minor changes—and suggested changes the Secretary is not legally authorized to make are not addressed.

Final Research Priorities

English Literacy, Including Reading, Writing, and Language Skills

Conducting research on issues related to the teaching and learning of reading, writing, or language skills particularly by non- or limited English speaking students. Understanding how effective programs work, how they are developed, and how they influence student competency in these areas.

Improvement in Education

Assessing the implementation and impact of State and local reform initiatives, with particular emphasis on the refinement of measures of effective school, teaching, classroom, and counseling practices.

Home, Family, Cultural and Community Influence in Education

Describing the impact of family, culture, and community on education. As applicable, identifying existing and effective strategies to encourage or facilitate parental involvement in education.

Improvement of Educational Outcomes for Students-at-risk

Identifying what makes some schools and certain educational strategies successful in lowering dropout rates and raising achievement levels of those students having the greatest difficulty in terms of learning and motivation.

Student Achievement and Motivation

Conducting research on student achievement with a concentration on conditions and practices that affect student motivation and interest in learning.

Teaching and Learning Foreign Languages

Investigating successful practices for teaching and learning foreign languages. Understanding effective training practices for teachers of foreign languages.

Management and Organization of Schools

Examining the dynamics of educational organizations, management and leadership strategies and how leadership practices can improve instructional programs, school discipline and school productivity.

Technology in Education

Applying advanced technology to problems of educational productivity, including assessment, teaching and learning processes, and the restructuring of schools.

Parental Choice in Schooling

Studying the effects of various options in education, including magnet, private and alternative schools, as well as home and independent and informal learning.

Limited English Proficiency

Investigating the effects of policies, practices, and programs on the quality of education for students with limited English proficiency.

Citizenship and Character Education

Understanding the process of citizenship and character education, concentrating on what is taught and learned in schools and communities, how learning takes place, and

determining how education may affect adult participation in civic life.

Recruitment, Training, and Retention of School Professionals

Analyzing policies, programs and practices designed to improve the quality and effectiveness of the professional and support personnel in schools, and identifying staff development and organizational practices that contribute to improved educational outcomes.

Assessment of Postsecondary Education

Investigating the effects of different coursework patterns and other curricula changes on both the general achievement levels and longer-term attainments of college graduates; developing new indicators of college students' learning, and assessing the current state and future prospects of graduate education in the traditional arts and sciences fields. Analyzing evidence of program effectiveness and instructional strategies in the area of adult learning.

Early Childhood Learning

Obtaining new evidence and examining characteristics of early childhood learning, which spans the preschool through early elementary school years. Identifying useful information for educators and parents about the potential and actual learning capabilities of young children.

Library Research

Investigating the needs and data on the resources and services available to young adults in public libraries.

International Education

Conducting comparative studies of the experiences of other democratic cultures with problems and issues of special interest in American education, e.g., citizenship education, curriculum content and educational choice.

Educational Finance and Productivity

Identifying policies and finance mechanisms that contribute to improvements in organizational and institutional productivity in public and private educational institutions, agencies, or programs.

Teaching and Learning Content Knowledge

Investigating student achievement, what is taught and learned, and how it is assessed in the various core curriculum areas (e.g., science, mathematics, history, geography, etc.).

Executive Order 12606—The Family

Some of these proposed priorities may have a positive impact on the family and are consistent with the requirements of Executive Order 12606—The Family. These proposed priorities strengthen the authority and participation of parents in the education of their children.

(20 U.S.C. 1221e)

Dated: May 27, 1988.

William J. Bennett,

Secretary of Education.

Appendix—Analysis of Comments and Responses

The following is an analysis of comments and changes in the notice since publication of the proposed priorities. Substantive issues are discussed under the section of the notice to which they pertain. Technical and other minor changes are not addressed.

• *Additional Priorities*

Several commenters suggested additional biennial research priorities that are discussed below:

Comment: Two commenters suggested adding a priority on career education, career planning, and development and suggested an additional priority to collect and examine information about the role and critical shortage of counselors.

Discussion: The Secretary is proposing lists of research priorities, that include guidance and counseling, in the notices of proposed rulemaking implementing the Educational Research Grant Program (published on March 18, 1988 (53 FR 9088)), and the Regional Educational Laboratories and Research and Development Centers Programs (published on March 22, 1988 (53 FR 9408)). With the publication of these regulations as notices of proposed rulemaking, the public will have an opportunity to comment on these priorities.

The Secretary has also added "counseling practices," which is related to career education, to the priority in this notice on Improvement in Education.

Change: None.

Comment: One commenter suggested an additional research priority on how change or lack of change in the curricula of teacher training institutions is affecting the education of high-risk students.

Discussion: The final research priorities include two priorities that address the concern of this commenter: Recruitment, Training, and Retention of School Professionals, and Improvement of Educational Outcomes for Students-At-Risk.

Change: None.

Comments: One commenter recommended two additional priority areas on the state of the humanities in community colleges, and the assessment of the role of graduate programs in the preparation of scholars who will teach undergraduates.

Discussion: The priority on the assessment of postsecondary education may include research and related activities on the state of the humanities in community colleges and the assessment of graduate programs.

Change: None.

Comment: One commenter suggested that the Secretary should support valid programs and approaches that offer strong evidence of high success and broad application. The commenter claimed that a "brain-compatible" way of instructing children has produced broader and deeper learning in all curricula areas, and broadened the curricula.

Discussion: The Secretary has established several priorities that address the need for valid evidence on effective education programs and approaches.

Change: None.

• *Withdrawal of these Priorities*

Comment: One group of commenters recommended that the Secretary withdraw the proposed priorities because they felt that the priorities were not focused enough for investigators to conduct research. These commenters also suggested that the priorities should be developed in consultation with researchers, statisticians, and educational assessment experts.

Discussion: The Secretary intends these priorities to cover a broad range of topics and modes of research. Specific hypotheses and methodologies for these priorities may be suggested in specific competitions.

In developing these priorities, the Secretary has held a number of regional forums throughout the nation that involved practitioners, civic and business leaders, policymakers and interested citizens, as well as researchers and educational scholars. Numerous meetings were also held in Washington, D.C. with professional education associations to garner their input and suggestions. The Secretary believes that the Department has involved a diversified audience from the education community to the maximum extent practicable.

Change: None.

• *Specific Priorities*

English Literacy, Including Reading, Writing, and Language Skills

Comment: One commenter suggested that this priority include research on teaching basic and advanced library research skills and integrating these skills into the teaching of reading and writing. Another commenter advocated the inclusion of teaching and learning of literature, especially in the early childhood years, as part of the priority. A third commenter recommended that the Secretary include in this priority the specific learning needs of special populations, such as bilingual learners, minority populations, and those with special learning needs.

Discussion: This priority focuses on the study of the skills, techniques, community and family factors, and programs essential to learning the English language, particularly as they affect reading readiness and remedial reading in English for limited or non-English speaking children. The teaching of library skills and the integration of these skills into the curriculum is a desirable component of every instructional program, and research on this topic could be conducted under the priority. The research suggested by of the second commenter concerning early childhood years may be conducted under the priority. Research on the uses of literature may also be included in this priority. Finally, the Secretary finds that the research recommended by the third commenter about bilingual learners, including those who are members of minority populations and those with special needs who need to acquire English literacy skills could be conducted under this priority.

Change: The Secretary has made changes to the wording of this priority in order to clarify the intent to address the needs of non- or limited English speaking students.

Improvement in Education

Comment: One commenter suggested adding counseling practices to this priority. Another commenter suggested adding an emphasis on building library collections and staff to support effective teaching and classroom practices. A third commenter suggested research projects that explore the benefits of programs such as career ladders and "mentoring" for teachers and counselors.

A fourth commenter recommended that research on the role of buildings and facilities should be added to this priority. Finally, a fifth commenter suggested that research on the role of community-based organizations in improving education, especially in Hispanic communities, needs to be conducted.

Discussion: Two of the suggested amendments to this priority—those dealing with libraries and career ladders and mentoring—are already addressed by other priorities: One under library research; and the second under recruitment, training, and retention of school professionals. The factors recommended by the fourth commenter would not be an appropriate area of study under this prioirty since the priority addresses education reforms in learning and instruction. The Secretary agrees that the inclusion of counseling practices, as a component of assessing state and local reform initiatives, would enhance the priority because of the importance of counseling practice in school improvement. Finally, research on the role of community-based organizations in education improvement could be included as a topic under another priority: Home, Family, Cultural, and Community Influence in Education.

Change: The Secretary has amended the priority to include counseling practices.

Home, Family, Cultural and Community Influence in Education

Comment: One commenter recommended that this priority encourage participation by families in the development and implementation of improvements in educational programs. Another commenter suggested that research under this priority examine both the positive and negative influence of parents, family, and community in education.

Discussion: The areas of research suggested by both commenters are within the scope of the priority. In addition, the Department plans to sponsor a conference on the family during fiscal year 1988 that will help inform the debate for future research in this vital area.

Change: None.

Improvement of Educational Outcomes for Students-At-Risk

Comment: A commenter suggested that more information is needed about effective programs for "high risk" students, including counseling and drop-out prevention programs. Another commenter suggested research on the importance of teacher expectations and the classroom environment's influence on student performance. A third commenter listed factors related to buildings and facilities, open versus contained classrooms, overcrowding, child care and Head Start facilities and classes, and library equipment that should be included in the priority.

Discussion: The Secretary agrees with the commenters that more information is needed about effective programs for "high risk" students, including counseling and drop-out prevention, and about the importance of teacher expectations and classroom environments. The suggestions of all of the commenters are within the scope of this priority.

Change: None.

Student Achievement and Motivation

Comment: A commenter recommended focusing this priority on minority students.

Discussion: Many of these priorities are particularly meaningful to disadvantaged minority students and others with special educational needs. The Secretary expects that funded research would include research on the needs of special populations. In addition the priority on the improvement of education outcomes for students-at-risk focuses on effective schooling for disadvantaged students, including those minority students and others whose achievement is lower than their potential or who are not motivated to learn.

Change: None.

Management and Organization of Schools

Comment: A commenter suggested expanding this priority to include institutions of higher education. The commenter recommended that the priority include investigating the role of leadership, mission, values, improvement, rewards, and entrepreneurship in management of institutions of higher education. Another commenter suggested a detailed study of transformational leadership behaviors of school principals and the effects of these behaviors on their teachers, staff, and students. A third commenter suggested that this priority be expanded to include an examination of how changes in school governance can support leadership and improve instructional programs, school discipline, and school productivity.

Discussion: The Secretary intends the term "educational organzations" to apply to colleges and universities, as well as to elementary and secondary schools. All of the other suggestions could be included as topics within this priority.

Change: None.

Technology in Education

Comment: One commenter suggested expanding this priority to include research on how computers affect teaching and learning, and an examination of the teacher's role in implementing technology. This commenter also suggested that school-based models should be developed for integrating computers into instruction to help handicapped children. Another commenter felt the Secretary should emphasize linkages with the private sector, the examination of existing education technology initiatives, and cooperative efforts with industry.

Discussion: The Secretary is amending this priority to clarify the Department's intention to focus the priority on technology, assessment, teaching and learning processes, and the restructuring of schools. The suggestion of this commenter concerning handicapped children may best be addressed by programs supported by the Office of Special Education and Rehabilitative Services, which funds technology projects each year.

Change: The Secretary has amended the priority to include the application of advanced technology to assessment, teaching and learning, and the restructuring of schools.

Parental Choice in Schooling

Comment: A commenter suggested editorial changes in order to make clear that the priority is intended to examine parental choice in schooling. The commenter also asks for clarification of the phrase "independent learning." This commenter expressed hope that research on "home-schooling" would be conducted under this priority. Another commenter suggested that there is a need for evaluation and research on the adequacy of facilities for magnet schools and alternative education programs.

Discussion: Independent or informal learning means education that takes place outside of the school, including museums, planetaria, libraries, and other youth activities that foster independent or informal learning. Home-schooling is included within the scope of this priority. Research on the adequacy of facilities could be included under this priority.

Change: The Secretary has amended the priority by adding the word "informal" to help explain the term "independent learning."

Citizenship and Character Education

Comment: Several commenters expressed support for this priority. One commenter suggested that this priority include research on student involvement in democratic school communities.

Discussion: Research on student involvement is within the scope of this priority.

Change: None.

Library Research

Comment: A commenter recommended that this priority include research on the role of school libraries in content learning. Another commenter suggested that this priority include research into the adequacy of college and university libraries.

Discussion: The Secretary intends that this priority focus on the resources and services of public libraries available for young adults. The Secretary may consider future initiatives that include research on school libraries or those of colleges and universities.

Change: None.

International Education

Comment: A commenter suggested focusing research under this priority on the kind of international education that makes for international understanding.

Discussion: This priority focuses on comparing educational practices for formal and compulsory schooling in various democratic nations. The Secretary believes that there is a need for this type of research priority. The commenter's suggestion concerning fostering international understanding may be an outcome of research under this priority but the priority is not specifically designed to achieve this objective. Therefore, the suggestion is not within the scope of this priority.

Change: None.

Educational Finance and Productivity

Comment: A commenter suggested combining this priority with the priority on Management and Organization of Schools since they could provide the key to school improvement.

Discussion: The Secretary believes that there is a need for separate research on these priorities.

Change: None.

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federal register

Monday
June 20, 1988

Part VII

The President

Federal Register
Vol. 53, No. 118
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Presidential Documents

Title 3—

The President

Proclamation 5832 of June 16, 1988

To Amend the Quantitative Limitations on Imports of Certain Cheese

By the President of the United States of America

A Proclamation

1. Quantitative limitations previously have been imposed on the importation of certain cheeses pursuant to the provisions of Section 22 of the Agricultural Adjustment Act of 1933, as amended (7 U.S.C. 624). Section 701 of the Trade Agreements Act of 1979, Public Law 96–39, provides that the President shall by proclamation limit the quantity of quota cheeses specified therein which may enter the United States in any calendar year after 1979 to not more than 111,000 metric tons.

2. By Proclamation No. 5618 of March 16, 1987, the quantitative limitations in part 3 of the Appendix to the Tariff Schedules of the United States (TSUS) were modified to reflect the Government of Portugal's accessions to the European Economic Community (EEC). The quota allocations previously made to Portugal were transferred to the European Economic Community. Proclamation No. 5618 also implemented certain undertakings to the EEC.

3. Due to a technical error, Proclamation No. 5618 failed to delete the quota for Portugal for certain cheeses under TSUS Item 950.10D, while transferring that quota to the EEC. Accordingly, I have determined that a technical correction is appropriate.

NOW, THEREFORE, I, RONALD REAGAN, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes of the United States of America, including Section 701 of the Trade Agreements Act of 1979 and Section 22 of the Agricultural Adjustment Act of 1933, as amended, do hereby proclaim that, effective upon signature of this Proclamation, part 3 of the Appendix for the Tariff Schedules of the United States (TSUS) is modified as follows:

TSUS Item 950.10D is modified by deleting the line beginning with "Portugal".

IN WITNESS WHEREOF, I have hereunto set my hand this sixteenth day of June, in the year of our Lord nineteen hundred and eighty-eight, and of the Independence of the United States of America the two hundred and twelfth.

Ronald Reagan

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Presidential Documents

Proclamation 5833 of June 16, 1988

National Scleroderma Awareness Week, 1988

By the President of the United States of America

A Proclamation

Scleroderma, which literally means "hard skin," is a painful and debilitating connective tissue disease characterized by excessive deposits of collagen in the skin. The hallmark of this disease is skin thickening, but scleroderma can also involve other organs such as the gastrointestinal tract, lungs, heart, or kidneys. The disease can begin at any age, but it usually affects people in their most productive years, and women more frequently than men.

New research findings and new approaches to diagnosis and treatment are being developed to combat scleroderma. Research studies on scleroderma include investigations of various causes of the disease, research on vascular alterations, research on regulation of collagen synthesis, and development of diagnostic probes. Such fundamental research may lead to new and improved treatment strategies that will effectively attack the disease itself.

If this work is to continue and we are to take advantage of knowledge already gained, public awareness about scleroderma and about continuing scientific research is crucial. Private voluntary organizations and the Federal government are working together to achieve this goal.

The Congress, by Senate Joint Resolution 266, has designated the week beginning June 12, 1988, as "National Scleroderma Awareness Week" and has authorized and requested the President to issue a proclamation in observance of this event.

NOW, THEREFORE, I, RONALD REAGAN, President of the United States of America, do hereby proclaim the week beginning June 12, 1988, as National Scleroderma Awareness Week, and I call upon the people of the United States and educational, philanthropic, scientific, medical, and health care organizations and professionals to observe this week with appropriate ceremonies and activities.

IN WITNESS WHEREOF, I have hereunto set my hand this sixteenth day of June, in the year of our Lord nineteen hundred and eighty-eight, and of the Independence of the United States of America the two hundred and twelfth.

Ronald Reagan

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[2] No amendments to this volume were promulgated during the period Jan. 1, 1987 to Dec. 31, 1987 The CFR volume issued January 1, 1987, should be retained.

[3] No amendments to this volume were promulgated during the period Apr 1, 1980 to March 31, 1988. The CFR volume issued as of Apr. 1, 1980, should be retained.

[4] The July 1, 1985 edition of 32 CFR Parts 1–189 contains a note only for Parts 1–39 inclusive. For the full text of the Defense Acquisition Regulations in Parts 1–39, consult the three CFR volumes issued as of July 1, 1984, containing those parts.

[5] No amendments to this volume were promulgated during the period July 1, 1986 to June 30, 1987 The CFR volume issued as of July 1, 1986, should be retained.

[6] The July 1, 1985 edition of 41 CFR Chapters 1–100 contains a note only for Chapters 1 to 49 inclusive. For the full text of procurement regulations in Chapters 1 to 49, consult the eleven CFR volumes issued as of July 1, 1984 containing those chapters.