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WASHINGTON, DC

WHEN: July 14, 1998 at 9:00 am
WHERE: Office of the Federal Register
Conference Room
800 North Capitol Street, NW.
Washington, DC
(3 blocks north of Union Station Metro)
RESERVATIONS: 202–523–4538

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NUCLEAR REGULATORY COMMISSION

10 CFR Part 34

RIN 3150–AE07

Licenses for Industrial Radiography and Radiation Safety Requirements for Industrial Radiographic Operations; Clarifying Amendments and Corrections

AGENCY: Nuclear Regulatory Commission.

ACTION: Final rule: Clarifying and corrective amendments.

SUMMARY: The Nuclear Regulatory Commission is amending its regulations to clarify several ambiguities and to make corrections to the recently revised regulations governing licenses for industrial radiography and radiation safety requirements for industrial radiographic operations. This final rule is necessary to clarify the text to resolve these ambiguities and to make changes to correct some of the compliance dates specified in the revised rule. This rulemaking will clarify the Commission's intent regarding the implementation date for certain requirements. In particular, the final rule specified several dates, intended to be one year or two years after the effective date of the rule. The date published in the May 28, 1997, **Federal Register** inadvertently used the May 28 publication date, rather than the June 27 effective date. Therefore, this final rule specifies June 27, 1998, or June 27, 1999, as the correct effective date for implementation of those specific provisions.

EFFECTIVE DATE: July 9, 1998.

FOR FURTHER INFORMATION CONTACT: Donald O. Nellis, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001, telephone (301) 415–6257, (e-mail address don@nrc.gov).

SUPPLEMENTARY INFORMATION:

On May 28, 1997 (62 FR 28948), the NRC published a final rule with an effective date of June 27, 1997 that revised 10 CFR Part 34, which applies to industrial radiography and its related safety requirements. Major changes in this revision included:

(1) A requirement for two qualified individuals to be present whenever radiography is performed at a location other than a permanent radiographic installation, one of whom must be a qualified radiographer and the other must be at least a qualified radiographers' assistant;

(2) A requirement for mandatory certification of radiographers;

(3) Specification of the qualifications and duties of the Radiation Safety Officer;

(4) Additional training requirements for radiographers' assistants; and

(5) Clarification of the definition of a permanent radiographic installation.

After its publication, the NRC was notified by numerous radiography licensees that certain ambiguities and minor errors existed in the May 28, 1997, final rule. This action corrects errors in the Supplementary Information and codified text of the May 28,1997, final rule and clarifies several provisions of the regulation to remove ambiguities.

1. In Supplementary Information, under Section II, Response to Public Comments on the Proposed Rule and Final Rule Provisions, the last paragraph in § 34.41, Conducting Industrial Radiographic Operations, discusses the addition of a requirement to have approved procedures before conducting specific types of radiographic operations and listed that requirement as § 34.41(d). This was an incorrect citation. The requirement was correctly added as § 34.41(c) in the regulation so that no change is needed and this discussion simply clarifies any confusion generated by the incorrect citation.

2. In Supplementary Information, under Section V, Implementation (62 FR 28962), the third paragraph states that licensees will have 1 year to comply with the new training requirements in § 34.43 (a) and (b). This citation is incorrect. Paragraphs (a)(1) and (a)(2) refer to the requirements for radiographer certification. The new training requirements for radiographers are in § 34.43(b) and the new training requirements for radiographers' assistants are in § 34.43(c). Section 34.43(h) correctly identifies the additional training requirements. The purpose of this discussion is to alleviate any confusion that may have resulted from the incorrect citation.

3. Section 34.27, Leak testing and replacement of sealed sources, included a new requirement for the leak testing of devices containing depleted uranium (DU) shielding. Two discrepancies have been noted. First, the condition for removing the exposure device from use for an evaluation of S-tube was incorrectly stated, and second, the implementation date for this requirement was not specified. This subject was addressed in the Supplementary Information under Section II, Public Comments, where it was pointed out that the purpose of the test was to detect wear in the guide tube that could cause control cable binding and inability to retract the source. Because the comments also pointed out that annual testing for DU was required and that testing services were readily available, the NRC believed that one year from the effective date of the final rule would be an acceptable date for compliance with this requirement. To remedy the text defining the condition for removing the exposure device from use, the third sentence of paragraph (e) is amended by using text similar to that in the first sentence of paragraph (d) to read:

Should this testing reveal the presence of 185 Bq (0.005 microcuries) or more of removable DU contamination, the exposure device must be removed from use until an evaluation of the wear of the S-tube has been made.

In addition, to clarify that the implementation date for DU testing was one year from the effective date of the rule June 27, 1997 and not the publication date, May 28, 1997, § 34.27(e) is amended by adding a new sentence at the end of this paragraph to read:

Licensees will have until June 27, 1998, to comply with the DU leak testing requirements of this paragraph.

4. Section 34.41, Conducting industrial radiographic operations, specifies that at least two qualified

individuals must be present whenever radiography is performed outside of a permanent radiographic installation. Numerous inquiries were received concerning the implementation date for this requirement. The intent of the Commission was that licensees would have an implementation period of 1 year from the effective date of the rule to meet this requirement. (On May 28, 1997 (62 FR 28948), the NRC published a final rule with an effective date of June 27, 1997 that revised 10 CFR Part 34, which applies to industrial radiography and its related safety requirements.) This implementation period was selected to allow time to train new individuals as specified in § 34.43(h). To avoid confusion as to what was intended in the original **Federal Register** notice, a new paragraph (d) is added to § 34.41 to read:

(d) Licensees will have until June 27, 1998, to meet the requirements for having two qualified individuals present at locations other than a permanent radiographic installation as specified in paragraph (a) of this section.

5. Under Subpart D—Radiation Safety Requirements; § 34.42, Radiation Safety Officer for Industrial Radiography, paragraph (d) contains an incorrect date. The Supplementary Information Subsection V. Implementation; of the final rule, specifies that all current RSOs will have two years to implement the additional RSO training requirements specified in § 34.42(a) and to comply with the mandatory certification requirements in § 34.43(a)(2), 62 FR 28962. All extended times for implementation were from the effective date of the rule, June 27, 1997, and not from the publication date, May 28, 1997. The paragraph is revised to read:

(d) Licensees will have until June 27, 1999, to meet the requirements of paragraphs (a) or (b) of this section.

6. Under Subpart D—Radiation Safety Requirements § 34.43(a)(2) contains an incorrect date, May 28,1999, two years from the publication date rather than the correct date, June 27, 1999, two years from the effective date. The paragraph is revised to read:

(2) The licensee may, until June 27, 1999, allow an individual who has not met the requirements of paragraph (a)(1) of this section, to act as a radiographer after the individual has received training in the subjects outlined in paragraph (g) of this section and demonstrated an understanding of these subjects by successful completion of a written examination that was previously submitted to and approved by the Commission.

7. Under Subpart D—Radiation Safety Requirements, § 34.43, Training, paragraph (h) contains an incorrect date. The Supplementary Information Subsection V. Implementation; of the final rule, specifies that licensees will have 1 year from the effective date of the rule to comply with the additional training requirements specified in § 34.43 (a) and (b). 62 FR 28962. As stated in paragraph 2 above, the additional training requirements as set forth in § 34.43(b) refer to the training requirements for radiographers while the additional training requirements as set forth in § 34.43(c) refer to the training requirements for radiographers assistants. Also, as noted above, the effective date of the final rule was June 27, 1997, not May 28, 1997. The paragraph is revised to read:

(h) Licensees will have until June 27, 1998, to comply with the additional training requirements specified in paragraphs (b)(1) and (c)(1) of this section.

8. Under Subpart D—Radiation Safety Requirements, § 34.43 Training, does not specify a compliance date for radiographer certification in § 34.43(a)(1). The Supplementary Information Subsection V, Implementation; of the final rule, specifies that licensees will have 2 years from the effective date of the rule to affirm that all radiographers have met the certification requirements of § 34.43(a)(1). Records of radiographer certification maintained in accordance with § 34.79(a) will provide adequate evidence of compliance with the need to affirm radiographers have met the certification requirements of § 34.43(a)(1). A new paragraph (i) is added to this section to read:

(i) Licensees will have until June 27, 1999, to comply with the certification requirements specified in paragraph (a)(1) of this section. Records of radiographer certification maintained in accordance with § 34.79(a) provide appropriate affirmation of certification requirements specified in paragraph (a)(1) of this section.

Administrative Procedure Act

Because these amendments make minor corrective and clarifying changes to an existing regulation, the NRC has determined that good cause exists to dispense with the notice and comment provisions of the Administrative Procedure Act (APA) pursuant to 5 U.S.C. 553(b)(B). For the same reason, the NRC has determined that good cause exists to waive the 30-day deferred effective date provisions of the Administrative Procedure Act (5 U.S.C. 553(d)(3)). *See also:* 10 CFR 2.807.

Agreement State Compatibility

Although 10 CFR Part 34 is subject to various degrees of compatibility with regard to the Agreement States, these amendments make only minor corrective or clarifying changes in an existing regulation and are not expected to affect the compatibility of the Agreement State program.

Environmental Impact: Categorical Exclusion

The NRC has determined that this final rule is the type of action described as a categorical exclusion in 10 CFR 51.22(c)(2). Therefore, neither an environmental statement nor an environmental assessment has been prepared for this final rule.

Paperwork Reduction Act Statement

This final rule does not contain a new or amended information collection requirement subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*). Existing requirements were approved by the Office of Management and Budget, approval number 3150–0007.

Public Protection Notification

If an information collection does not display a currently valid OMB control number, the NRC may not conduct or sponsor, and a person is not required to respond to, the information collection.

Regulatory Analysis

This final rule does not impose any new requirements or additional costs to licensees because its purpose is solely administrative in that it simply corrects and clarifies the text of an existing regulation and does not result in any essential change. This constitutes the regulatory analysis for this final rule.

Backfit Analysis

The NRC has determined that the backfit rule, 10 CFR 50.109, does not apply to this final rule, and therefore, that a backfit analysis is not required for this rulemaking since these amendments do not involve any provision that would impose backfits as defined in 10 CFR 50.109(a)(1).

Small Business Regulatory Enforcement Fairness Act

In accordance with the Small Business Regulatory Enforcement Fairness Act of 1996, the NRC has determined that this action is "not a major rule" and has verified this determination with the Office of Information and Regulatory Affairs, Office of Management and Budget.

List of Subjects in 10 CFR Part 34

Criminal penalties, Packaging and containers, Radiation protection, Radiography, Reporting and recordkeeping requirements, Scientific equipment, Security measures.

For reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974, as amended; and U.S.C. 552 and 553, the NRC is adopting the following amendments to 10 CFR Part 34.

PART 34—LICENSES FOR INDUSTRIAL RADIOGRAPHY AND RADIATION SAFETY REQUIREMENTS FOR INDUSTRIAL RADIOGRAPHIC OPERATIONS

1. The authority citation for Part 34 continues to read as follows:

Authority: Secs. 81, 161, 182, 183, 68 Stat. 935, 948, 953, 954, as amended (42 U.S.C. 2111, 2201, 2232, 2233); sec. 201, 88 Stat. 1242, as amended (42 U.S.C. 5841).

Section 34.45 also issued under sec. 206, 88 Stat. 1246 (42 U.S.C. 5846).

2. Section 34.27, paragraph (e) is revised to read as follows:

§ 34.27 Leak testing and replacement of sealed sources.

* * * * *

(e) Each exposure device using depleted uranium (DU) shielding and an "S" tube configuration must be tested for DU contamination at intervals not to exceed 12 months. The analysis must be capable of detecting the presence of 185 Bq (0.005 microcuries) of radioactive material on the test sample and must be performed by a person specifically authorized by the Commission or an Agreement State to perform the analysis. Should such testing reveal the presence of 185 Bq (0.005 microcuries) or more of removable DU contamination, the exposure device must be removed from use until an evaluation of the wear on the S-tube has been made. Should the evaluation reveal that the S-tube is worn through, the device may not be used again. DU shielded devices do not have to be tested for DU contamination while in storage and not in use. Before using or transferring such a device however, the device must be tested for DU contamination if the interval of storage exceeded 12 months. A record of the DU leak-test must be made in accordance with § 34.67. Licensees will have until June 27, 1998, to comply with the DU leak-testing requirements of this paragraph.

3. In § 34.41, a new paragraph (d) is added to read as follows:

§ 34.41 Conducting industrial radiographic operations.

* * * * *

(d) Licensees will have until June 27, 1998, to meet the requirements for having two qualified individuals present at locations other than a permanent radiographic installation as specified in paragraph (a) of this section.

4. In § 34.42, paragraph (d) is revised to read as follows:

§ 34.42 Radiation Safety Officer for industrial radiography.

* * * * *

(d) Licensees will have until June 27, 1999, to meet the requirements of paragraph (a) or (b) of this section.

5. In § 34.43, paragraphs (a)(2) and (h) are revised, and paragraph (i) is added to read as follows:

§ 34.43 Training

(a) * * *

(2) The licensee may, until June 27, 1999, allow an individual who has not met the requirements of paragraph (a)(1) of this section, to act as a radiographer after the individual has received training in the subjects outlined in paragraph (g) of this section and demonstrated an understanding of these subjects by successful completion of a written examination that was previously submitted to and approved by the Commission.

* * * * *

(h) Licensees will have until June 27, 1998, to comply with the additional training requirements specified in paragraphs (b)(1) and (c)(1) of this section.

(i) Licensees will have until June 27, 1999 to comply with the certification requirements specified in paragraph (a)(1) of this section. Records of radiographer certification maintained in accordance with § 34.79(a) provide appropriate affirmation of certification requirements specified in paragraph (a)(1) of this section.

Dated at Rockville, Maryland, this 24th day of June, 1998.

For the Nuclear Regulatory Commission.

L. Joseph Callan,

Executive Director for Operations.

[FR Doc. 98–18229 Filed 7–8–98; 8:45 am]

BILLING CODE 7590–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–NM–31–AD; Amendment 39–10649; AD 98–14–16]

RIN 2120–AA64

Airworthiness Directives; Airbus Model A300 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule; request for comments.

SUMMARY: This amendment adopts a new airworthiness directive (AD), applicable to certain Airbus Model A300 series airplanes. This action requires repetitive inspections to detect cracks in the forward canted frames between fuselage frames 47a and 48 from stringer (STGR) 41 to STGR 43; and temporary repair, or replacement of the forward canted frame with a new frame, if necessary. This amendment is prompted by issuance of mandatory continuing airworthiness information by a foreign civil airworthiness authority. The actions specified in this AD are intended to detect and correct cracking in the forward canted frames, which could result in failure of the forward canted frame, and consequent reduced structural integrity of the airplane.

DATES: Effective July 24, 1998.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of July 24, 1998.

Comments for inclusion in the Rules Docket must be received on or before August 10, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 98–NM–31–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

The service information referenced in this AD may be obtained from Airbus Industrie, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Norman B. Martenson, Manager, International Branch, ANM–116, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington

98055–4056; telephone (425) 227–2110; fax (425) 227–1149.

SUPPLEMENTARY INFORMATION: The Direction Générale de l'Aviation Civile (DGAC), which is the airworthiness authority for France, notified the FAA that an unsafe condition may exist on certain Airbus Model A300 series airplanes. The DGAC advises that it has been informed of several reported cases of fatigue cracking between frame 47a to 48 on the forward canted frame from stringer (STGR) 41 to STGR 43. These cracks were found on airplanes that had accumulated between 20,900 and 24,000 flight cycles. This condition, if not corrected, could result in failure of the forward canted frame, and consequent reduced structural integrity of the airplane.

Explanation of Relevant Service Information

Airbus has issued Service Bulletin A300–53–0314, dated January 14, 1997, which describes procedures for repetitive eddy current inspections to detect cracking in the forward canted frames between fuselage frames 47a and 48 from STGR 41 to STGR 43; and temporary repair, or replacement of the forward canted frame with a new forward canted frame, if necessary. Following accomplishment of the replacement, the service bulletin recommends accomplishment of the eddy current inspections at an extended threshold and interval. Accomplishment of the actions specified in the service bulletin is intended to adequately address the identified unsafe condition.

The DGAC classified this service bulletin as mandatory and issued French airworthiness directive 97–063–214(B), dated February 26, 1997, in order to assure the continued airworthiness of these airplanes in France.

FAA's Conclusions

This airplane model is manufactured in France and is type certificated for operation in the United States under the provisions of section 21.29 of the Federal Aviation Regulations (14 CFR 21.19) and the applicable bilateral airworthiness agreement. Pursuant to this bilateral airworthiness agreement, the DGAC has kept the FAA informed of the situation described above. The FAA has examined the findings of the DGAC, reviewed all available information, and determined that AD action is necessary for products of this type design that are certificated for operation in the United States.

Explanation of Requirements of the Rule

Since an unsafe condition has been identified that is likely to exist or develop on other airplanes of the same type design registered in the United States, this AD is being issued to detect and correct cracking in the forward canted frames, which could result in failure of the forward canted frame, and consequent reduced structural integrity of the airplane. This AD requires accomplishment of the actions specified in the service bulletin described previously, except as discussed below.

Difference Between This AD and Related Service Information

Operators should note that, although the service bulletin specifies that the manufacturer may be contacted for disposition of certain repair conditions, this AD would require the repair of those conditions to be accomplished in accordance with a method approved by the FAA or the DGAC (or its delegated agent). In light of the type of repair that would be required to address the identified unsafe condition, and in consonance with existing bilateral airworthiness agreements, the FAA has determined that, for this AD, a repair approved by either the FAA or the DGAC would be acceptable for compliance with this AD.

Cost Impact

None of the airplanes affected by this action are on the U.S. Register. All airplanes included in the applicability of this rule currently are operated by non-U.S. operators under foreign registry; therefore, they are not directly affected by this AD action. However, the FAA considers that this rule is necessary to ensure that the unsafe condition is addressed in the event that any of these subject airplanes are imported and placed on the U.S. Register in the future.

Should an affected airplane be imported and placed on the U.S. Register in the future, it would require approximately 3 work hours to accomplish the required inspection, at an average labor rate of $60 per work hour. Based on these figures, the cost impact of this AD would be $180 per airplane, per inspection cycle.

Determination of Rule's Effective Date

Since this AD action does not affect any airplane that is currently on the U.S. register, it has no adverse economic impact and imposes no additional burden on any person. Therefore, prior notice and public procedures hereon are unnecessary and the amendment may be made effective in less than 30 days after publication in the **Federal Register**.

Comments Invited

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

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

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this rule must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 98–NM–31–AD." The postcard will be date stamped and returned to the commenter.

Regulatory Impact

The regulations adopted herein will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this action (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) will not have a significant economic

impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A final evaluation has been prepared for this action and it is contained in the Rules Docket. A copy of it may be obtained from the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

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

Adoption of the Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

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

98–14–16 Airbus: Amendment 39–10649. Docket 98–NM–31–AD.

Applicability: Model A300 series airplanes, certificated in any category, as listed below:

B2–1C, all serial numbers;
B2K–3C, all serial numbers;
B2–203, all serial numbers;
B4–203 having manufacturer's serial number 255; and
B4–2C having manufacturer's serial number 256.

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

Compliance: Required as indicated, unless accomplished previously.

To detect and correct cracking in the forward canted frames, which could result in failure of the forward canted frame, and consequent reduced structural integrity of the airplane, accomplish the following:

(a) Perform an eddy current inspection to detect cracking in the forward canted frame between fuselage frames 47a and 48 from stringer 41 to stringer 43, in accordance with Airbus Service Bulletin A300–53–0314, dated January 14, 1997; at the time specified in paragraph (a)(1), (a)(2), (a)(3), or (a)(4) of this AD, as applicable. If no crack is detected, repeat the inspection thereafter at intervals not to exceed 2,100 flight cycles.

(1) For airplanes that have accumulated less than 11,000 flight cycles as of the effective date of this AD: Perform the inspection prior to the accumulation of 11,000 total flight cycles, or within 2,000 flight cycles after the effective date of this AD, whichever occurs later.

(2) For airplanes that have accumulated 11,000 or more total flight cycles, but less than 14,000 total flight cycles, as of the effective date of this AD: Perform the inspection within 2,000 flight cycles after the effective date of this AD.

(3) For airplanes that have accumulated 14,000 or more total flight cycles as of the effective date of this AD: Perform the inspection within 1,000 flight cycles after the effective date of this AD.

(4) For airplanes on which the forward canted frame has been replaced with a basic frame (A53833393–200, –201, –202, –203, –206, or –207): Perform the inspection prior to the accumulation of 11,000 total flight cycles since the frame replacement date, or within 2,100 flight cycles after the effective date of this AD, whichever occurs later.

(b) Except as provided by paragraph (d) of this AD, if any crack is detected during any inspection required by paragraph (a) of this AD, prior to further flight, accomplish the requirements of either paragraph (b)(1) or (b)(2) of this AD, in accordance with Airbus Service Bulletin A300–53–0314, dated January 14, 1997. Thereafter, inspect in accordance with the requirements of paragraph (c) of this AD.

(1) Replace the forward canted frame with a new forward canted frame. Or

(2) Perform the temporary repair and, within 1,600 flight cycles after accomplishment of the temporary repair, replace the forward canted frame with a new forward canted frame.

(c) Prior to accumulation of 24,600 flight cycles after replacement of the forward canted frame with a new forward canted frame, and thereafter at intervals not to exceed 3,200 flight cycles: Perform an eddy current inspection to detect cracking of the new forward canted frame in accordance with the requirements of paragraph (a) of this AD.

(d) For airplane having manufacturer's serial number 32: If any crack is detected during any inspection required by paragraph (a) of this AD, prior to further flight, repair the crack in accordance with a method approved by either the Manager, International Branch, ANM–116, Transport Airplane Directorate, FAA, or the Direction Generale de l'Aviation Civile (DGAC) (or its delegated agent).

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

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

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

(g) The actions shall be done in accordance with Airbus Service Bulletin A300–53–0314, dated January 14, 1997. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from Airbus Industrie, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France. Copies may be inspected at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

Note 3: The subject of this AD is addressed in French airworthiness directive 97–063–214(B), dated February 26, 1997.

(h) This amendment becomes effective on July 24, 1998.

Issued in Renton, Washington, on June 30, 1998.

Vi L. Lipski,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–17954 Filed 7–8–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–NM–03–AD; Amendment 39–10487]

RIN 2120–AA64

Airworthiness Directives; Bombardier Model CL–215–6B11 (CL–415 Variant) Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Direct final rule; request for comments.

SUMMARY: This amendment adopts a new airworthiness directive (AD) that is applicable to all Bombardier Model CL–215–6B11 (CL–415 Variant) series airplanes. This amendment requires revising the Airplane Flight Manual (AFM) to provide the flightcrew with procedures to address a temporary loss of battery bus power during engine failure and consequent erroneous indications of hydraulic system

pressure, brake pressure, rudder pressure, and rudder and elevator reversion to manual mode. This amendment is prompted by issuance of mandatory continuing airworthiness information by a foreign civil airworthiness authority. The actions specified in this AD are intended to ensure that the flightcrew is advised of the potential hazard associated with a temporary loss of battery bus power during failure of the left engine or the left generator on the left engine and of the procedures necessary to address it.

DATES: Effective October 7, 1998.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of October 7, 1998.

Comments for inclusion in the Rules Docket must be received on or before August 10, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 98–NM–03–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

The service information referenced in this AD may be obtained from Bombardier, Inc., Canadair, Aerospace Group, P.O. Box 6087, Station Centreville, Montreal, Quebec H3C 3G9, Canada. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, Engine and Propeller Directorate, New York Aircraft Certification Office, 10 Fifth Street, Third Floor, Valley Stream, New York; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Rodrigo J. Huete, Flight Test Pilot, Systems and Flight Test Branch, ANE–172, FAA, Engine and Propeller Directorate, New York Aircraft Certification Office, 10 Fifth Street, Third Floor, Valley Stream, New York 11581; telephone (516) 256–7518; fax (516) 568–2716.

SUPPLEMENTARY INFORMATION: Transport Canada Aviation (TCA), which is the airworthiness authority for Canada, notified the FAA that an unsafe condition may exist on all Bombardier Model CL–215–6B11 (CL–415 Variant) series airplanes. TCA advises that the manufacturer discovered a design anomaly in the course of reviewing the differences between the CL–215 and CL–415 variants. This anomaly could result in a temporary loss of battery bus power during failure of the left engine or the left generator on the left engine and consequent erroneous indications of hydraulic system pressure, brake pressure, rudder pressure, and rudder and elevator reversion to manual mode. If the flightcrew receives such erroneous indications, they would lack appropriate procedures to address them. This condition, if not corrected, could result in the flightcrew taking inappropriate actions which may adversely affect the rudder and elevator control systems.

Explanation of Relevant Service Information

Bombardier (formerly Canadair) has issued Canadair CL–415 Airplane Flight Manual (AFM) Temporary Revision No. 491/9, dated November 30, 1995, which describes procedures to advise the flightcrew of the potential hazard associated with a temporary loss of battery bus power during failure of the left engine or the left generator on the left engine and of the procedures necessary to address it. TCA classified this temporary revision to the AFM as mandatory and issued Canadian airworthiness directive CF–96–02, dated January 25, 1996, in order to assure the continued airworthiness of these airplanes in Canada.

FAA's Conclusions

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

Explanation of Requirements of Rule

Since an unsafe condition has been identified that is likely to exist or develop on other airplanes of the same type design registered in the United States, this AD is being issued to ensure that the flightcrew is advised of the potential hazard associated with a temporary loss of battery bus power during failure of the left engine or the left generator on the left engine and of the procedures necessary to address it. This AD requires revising the Limitations and Emergency Procedures Sections of the AFM by incorporating the previously described temporary AFM revision to provide the flightcrew with procedures to address erroneous indications of hydraulic system pressure, brake pressure, rudder pressure, and rudder and elevator reversion to manual mode during engine failure.

Cost Impact

None of the airplanes affected by this action are on the U.S. Register. All airplanes included in the applicability of this rule currently are operated by non-U.S. operators under foreign registry; therefore, they are not directly affected by this AD action. However, the FAA considers that this rule is necessary to ensure that the unsafe condition is addressed in the event that any of these subject airplanes are imported and placed on the U.S. Register in the future.

Should an affected airplane be imported and placed on the U.S. Register in the future, it would require approximately 1 work hour to accomplish the required AFM revision, at an average labor rate of $60 per work hour. Based on these figures, the cost impact of this AD would be $60 per airplane.

The Direct Final Rule Procedure

The FAA anticipates that this regulation will not result in adverse or negative comment and, therefore, is issuing it as a direct final rule. The requirements of this direct final rule address an unsafe condition identified by a foreign civil airworthiness authority and do not impose a significant burden on any operator. In accordance with 14 CFR 11.17, unless a written adverse or negative comment, or a written notice of intent to submit an adverse or negative comment, is received within the comment period, the regulation will become effective on the date specified above. After the close of the comment period, the FAA will publish a document in the **Federal Register** indicating that no adverse or negative comments were received; at that time, the AD number will be specified, and the date on which the final rule will become effective will be confirmed. If the FAA does receive, within the comment period, a written adverse or negative comment, or written notice of intent to submit such a comment, a document withdrawing the direct final rule will be published in the **Federal Register**, and a notice of proposed rulemaking may be published with a new comment period.

Comments Invited

Although this action is in the form of a final rule and was not preceded by notice and an opportunity for public

comment, comments are invited on this rule. Interested persons are invited to comment on this rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified under the caption ADDRESSES. All communications received on or before the closing date for comments will be considered, and this rule may be amended in light of the comments received. Factual information that supports the commenter's ideas and suggestions is extremely helpful in evaluating the effectiveness of the AD action and determining whether additional rulemaking action would be needed.

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

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this rule must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 98–NM–03–AD." The postcard will be date stamped and returned to the commenter.

Regulatory Impact

The regulations adopted herein will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

The FAA has determined that this regulation is noncontroversial and unlikely to result in adverse or negative comments. For reasons discussed in the preamble, I certify that this regulation (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of it may be obtained from the Rules Docket at the location provided under the caption ADDRESSES.

List of Subjects in 14 CFR Part 39

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

Adoption of the Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

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

Bombardier Inc. (Formerly Canadair): Amendment 39–10487. Docket 98–NM–03–AD.

Applicability: All Bombardier Model CL–215–6B11 (CL–415 Variant) series airplanes, certificated in any category.

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

Compliance: Required as indicated, unless accomplished previously.

To ensure that the flightcrew is advised of the potential hazard associated with a temporary loss of battery bus power during failure of the left engine or the left generator on the left engine and of the procedures necessary to address it, accomplish the following:

(a) Within 10 days after the effective date of this AD, revise the Limitations and Emergency Procedures Sections of the Canadair CL–415 Airplane Flight Manual (AFM) by inserting a copy of Canadair Temporary Revision No. 491/9, dated November 30, 1995, into the AFM to provide the flightcrew with procedures to address erroneous indications of hydraulic system pressure, brake pressure, rudder pressure, and rudder and elevator reversion to manual mode during engine failure.

Note 2: When the temporary revision has been incorporated into general revisions of the AFM, the general revisions may be inserted into the AFM, provided the information contained in the general revision is identical to that specified in Canadair Temporary Revision No. 491/9.

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

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Manager, New York ACO.

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

(d) The AFM revision shall be done in accordance with Canadair CL–415 Airplane Flight Manual Temporary Revision No. 491/9, dated November 30, 1995. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from Bombardier, Inc., Canadair, Aerospace Group, P.O. Box 6087, Station Centreville, Montreal, Quebec H3C 3G9, Canada. Copies may be inspected at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, Engine and Propeller Directorate, New York Aircraft Certification Office, 10 Fifth Street, Third Floor, Valley Stream, New York; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

Note 4: The subject of this AD is addressed in Canadian airworthiness directive CF–96–02, dated January 25, 1996.

(e) This amendment becomes effective on October 7, 1998.

Issued in Renton, Washington, on May 14, 1998.

John J. Hickey,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–13404 Filed 7–8–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 98–AWP–2]

Modification of Class E Airspace; Porterville, CA; Correction

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final Rule; correction.

SUMMARY: This action corrects an error in the geographic coordinates of a Final Rule that was published in the **Federal Register** on April 20, 1998 (63 FR 19393), Airspace Docket No. 98–AWP–2. The final rule modified the Class E Airspace area at Porterville, CA.

EFFECTIVE DATE: 0901 UTC August 13, 1998.

FOR FURTHER INFORMATION CONTACT:

Larry Tonish, Airspace Specialist, Airspace Branch, AWP–520, Air Traffic Division, Western-Pacific Region, Federal Aviation Administration, 15000 Aviation Boulevard, Lawndale, California, 90261, telephone (310) 725–6539.

SUPPLEMENTARY INFORMATION:

History

Federal Register Document 98–10303, Airspace Docket No. 98–AWP–2, published on April 20, 1998 (63 FR 19393), revised the geographic coordinates of the Class E airspace area at Porterville, CA. A typographical error was discovered in the geographic coordinates for the Porterville, CA, Class E airspace area. This action corrects that error.

Correction to Final Rule

Accordingly, pursuant to the authority delegated to me, the geographic coordinates for the Class E airspace area at Porterville, CA, as published in the **Federal Register** on April 20, 1998 (63 FR 19393), **Federal Register** Document 98–10303) are corrected as follows:

§ 7.1. [Corrected]

AWP CA E5 Porterville, CA [Corrected]

On page 19394, in column 2, for Porterville Municipal Airport, CA, beginning in line 7, correct long. 118° 47′20″ W" to read long. 118° 57′20″ W".

Issued in Los Angeles, California, on June 23, 1998.

John G. Clancy,

Manager, Air Traffic Division, Western-Pacific Region.

[FR Doc. 98–17856 Filed 7–8–98; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Part 250

RIN 1010–AC46

Update of Documents Incorporated by Reference

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Final rule.

SUMMARY: MMS is updating two documents incorporated by reference in regulations governing oil, gas, and sulphur operations in the Outer Continental Shelf (OCS). The two new editions will continue to ensure that lessees use the best available and safest technologies while operating in the OCS. This rule is also necessary because the previously referenced documents are no longer available. The updated documents are the sixth edition of the American Petroleum Institute's (API) Recommended Practice for Analysis, Design, Installation and Testing of Basic Surface Safety Systems for Offshore Production Platforms and the second edition of API's Manual of Petroleum Measurement Standards, Chapter 14, Section 8, Liquefied Petroleum Gas Measurement.

DATES: This rule is effective August 10, 1998. The incorporation by reference of publications listed in the regulation is approved by the Director of the Federal Register as of August 10, 1998.

FOR FURTHER INFORMATION CONTACT: Bill Hauser, Engineering and Research Branch, at (703) 787–1613.

SUPPLEMENTARY INFORMATION: MMS uses standards, specifications, and recommended practices developed by standard-setting organizations and the oil and gas industry as a means of establishing requirements for activities in the OCS. This practice, known as incorporation by reference, allows MMS to incorporate the requirements of technical documents into the regulations without increasing the volume of the Code of Federal Regulations (CFR). MMS currently incorporates by reference 83 documents into the offshore operating regulations.

The regulations found at 1 CFR part 51 govern how MMS and other Federal agencies incorporate various documents by reference. Agencies can only incorporate by reference through publication in the **Federal Register**. Agencies must also gain approval from the Director of the Federal Register for each publication incorporated by reference. Incorporation by reference of a document or publication is limited to the edition of the document or publication cited in the regulations. This means that newer editions, amendments, or revisions to documents already incorporated by reference in regulations are not part of MMS's regulations.

This rule updates the following two documents that are currently incorporated by reference into MMS regulations:

- American Petroleum Institute's (API) Recommended Practice (RP) 14C, Recommended Practice for Analysis, Design, Installation and Testing of Basic Surface Safety Systems for Offshore Production Platforms, Sixth Edition, March 1998 and
- Manual of Petroleum Measurement Standards (MPMS), Chapter 14, Section 8, Liquefied Petroleum Gas Measurement, Second Edition, July 1997.

MMS has reviewed these documents and has determined that the new editions must be incorporated into regulations to ensure the use of the best and safest technologies. Our review shows that the changes between the old and new editions are minor and will not impose undue cost on the offshore oil and gas industry. In addition, the old editions are not readily available to the affected parties because they are out of publication.

MMS is updating these documents via a final rule. The regulations found at 30 CFR 250.101(a)(2) allow updating documents without opportunity to comment when MMS determines that the revisions to a document result in safety improvements or represent new industry standard technology, and do not impose undue costs on the affected parties.

A summary of MMS' review of the new documents is provided below:

API RP 14C, Recommended Practice for Analysis, Design, Installation and Testing of Basic Surface Safety Systems for Offshore Production Platforms, Sixth Edition, March 1998.

This edition is an improvement over the fifth edition, which MMS chose not to incorporate into the regulations. MMS believed that the fifth edition contained errors, even after API issued an errata sheet to correct several errors. The sixth edition represents current technology and is a good replacement for the currently incorporated fourth edition, which was issued in September 1986. Furthermore, the fourth edition is no longer available from API.

Technical changes from the fourth edition include: (1) guidelines on procedures and location of detectors for platforms that process toxic

hydrocarbons; (2) update of industry codes, standards, and recommended practices; (3) a discussion of hot surface protection and hot equipment shielding; (4) expansion and clarification of safety analysis tables; and (5) general technical updates to reflect changes in technology and production processes.

MPMS, Chapter 14, Section 8, Liquefied Petroleum Gas Measurement, Second Edition, July 1997.

This edition replaces the first edition which was issued in February 1983 and reaffirmed in May 1996. The changes between the two editions are minor.

In addition to updating the two documents, this rule also removes one document from incorporation by reference. It is API Spec 14D, Specification for Wellhead Surface Safety Valves and Underwater Safety Valves for Offshore Service, Ninth Edition, June 1, 1994, with Errata dated August 1, 1994. The specifications contained in API Spec 14D are now covered in API Spec 6A, Specification for Wellhead and Christmas Tree Equipment, and API Spec 6AV1, Specification for Verification Test of Wellhead Surface Safety Valves and Underwater Safety Valves for Offshore Service. These two documents are already incorporated by reference into our regulations.

As part of this rulemaking, MMS considered incorporating by reference the second edition of API RP 500, Recommended Practice for Classification of Locations for Electrical Installations at Petroleum Facilities Classified as Class 1, Division 1 and Division 2 into our regulations. Upon review of this document, we decided that the second edition was significantly different than the currently incorporated first edition of API RP 500. Differences between the two editions center on the use of combustible gas detector systems in classified locations. MMS is in the process of evaluating these differences and will take appropriate steps.

MMS is also investigating the incorporation of the first edition of API RP 505, Recommended Practice for Classification of Locations for Electrical Installations at Petroleum Facilities Classified as Class 1, Zone 0, Zone 1, and Zone 2 into our regulations. API recently released this document and it contains guidance on classifying locations in accordance with international concepts of zones versus API RP 500's use of divisions. MMS will be requesting public comment on the possible incorporation of this document.

Procedural Matters

This is a very simple rule. The rule's purpose is to update two documents that are currently incorporated by reference in the regulations. The differences between the newer documents and the older documents are very minor. If the differences were not minor, MMS could not update these documents via a final rule. The minor differences between the newer and older documents will not cause a significant economic effect on any entity (small or large). Therefore, this regulation's impact on the entire industry is minor.

Federalism (Executive Order (E.O.) 12612)

In accordance with E.O. 12612, the rule does not have significant Federalism implications. A Federalism assessment is not required.

Takings Implications Assessment (E.O. 12630)

In accordance with E.O. 12630, the rule does not have significant Takings Implications. A Takings Implication Assessment is not required.

Regulatory Planning and Review (E.O. 12866)

This document is not a significant rule and is not subject to review by the Office of Management and Budget (OMB) under E.O. 12866. This rule will not have an effect of $100 million or more on the economy. It will not adversely affect in a material way the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities. This rule will not create a serious inconsistency or otherwise interfere with an action taken or planned by another agency. This rule does not alter the budgetary effects or entitlements, grants, user fees, or loan programs or the rights or obligations of their recipients. This rule does not raise novel legal or policy issues.

Clarity of This Regulation

E.O. 12866 requires each agency to write regulations that are easy to understand. We invite your comments on how to make this proposed rule easier to understand, including answers to questions such as the following: (1) Are the requirements in the rule clearly stated? (2) Does the rule contain technical language or jargon that interferes with its clarity? (3) Does the format of the rule (grouping and order of sections, use of headings, paragraphing, etc.) aid or reduce its clarity? (4) Would the rule be easier to understand if it were divided into more (but shorter) sections? (5) Is the description of the rule in the "Supplementary Information" section of this preamble helpful in understanding the rule?

What else could we do to make the rule easier to understand?

Send a copy of any comments that concern how we could make this rule easier to understand to: Office of Regulatory Affairs, Department of the Interior, Room 7229, 1849 C Street, N.W., Washington, D.C. 20240. You may also e-mail the comments to this address: Exsec@ios.doi.gov.

Civil Justice Reform (E.O. 12988)

In accordance with E.O. 12988, the Office of the Solicitor has determined that this rule does not unduly burden the judicial system and meets the requirements of sections 3(a) and 3(b)(2) of the Order.

National Environmental Policy Act (NEPA) of 1969

This rule does not constitute a major Federal action significantly affecting the quality of the human environment. A detailed statement under the NEPA of 1969 is not required.

Paperwork Reduction Act (PRA) of 1995

Department of the Interior (DOI) has determined that this regulation does not contain information collection requirements pursuant to PRA (44 U.S.C. 3501 *et seq.*). We will not be submitting an information collection request to OMB.

Regulatory Flexibility Act

DOI certifies that this document will not have a significant economic effect on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). In general, the entities that engage in offshore activities are not considered small due to the technical and financial resources and experience necessary to safely conduct such activities. DOI also determined that the indirect effects of this rule on small entities that provide support for offshore activities are small (in effect zero).

Your comments are important. The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness Boards were established to receive comments from small business about Federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small business. If you wish to comment on the enforcement actions of MMS, call toll-free (888) 734–3247.

Small Business Regulatory Enforcement Fairness ACT (SBREFA)

This rule is not a major rule under 5 U.S.C. 804(2), SBREFA. This rule:

a. Does not have an annual effect on the economy of $100 million or more.

b. Will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions.

c. Does not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises.

Unfunded Mandates Reform Act of 1995

DOI has determined and certifies according to the Unfunded Mandates Reform Act, 2 U.S.C. 1502 *et seq.*, that this rule will not impose a cost of $100 million or more in any year on State, local, and tribal governments, or the private sector.

List of Subjects in 30 CFR Part 250

Continental shelf, Environmental impact statements, Environmental protection, Government contracts, Incorporation by reference, Investigations, Mineral royalties, Oil and gas development and production, Oil and gas exploration, Oil and gas reserves, Penalties, Pipelines, Public lands—mineral resources, Public lands—rights-of-way, Reporting and recordkeeping requirements, Sulphur development and production, Sulphur exploration, Surety bonds.

Dated: June 19, 1998.

Bob Armstrong,

Assistant Secretary, Land and Minerals Management.

For the reasons stated in the preamble, Minerals Management Service (MMS) amends 30 CFR part 250 as follows:

PART 250—OIL AND GAS AND SULPHUR OPERATIONS IN THE OUTER CONTINENTAL SHELF

1. The authority citation for part 250 continues to read as follows:

Authority: 43 U.S.C. 1334.

2. In § 250.101, the following documents incorporated by reference in Table 1 in paragraph (e) are revised to read as follows:

§ 250.101 Documents incorporated by reference.

* * * * *

(e) * * *

Title of documents	Incorporated by reference at
API RP 14C, Recommended Practice for Analysis, Design, Installation and Testing of Basic Surface Safety Systems for Offshore Production Platforms, Sixth Edition, March 1998, API Stock No. G14C06.	§ 250.802(b), (e)(2); § 250.803(a), (b)(2)(i), (b)(4), (b)(5)(i), (b)(7), (b)(9)(v), (c)(2); § 250.804(a), (a)(5); § 250.1002(d); § 250.1004(b)(9); § 250.1628(c), (d)(2); § 250.1629(b)(2), (b)(4)(v); § 250.1630(a).
MPMS, Chapter 14, Section 8, Liquefied Petroleum Gas Measurement, Second Edition, July 1997, API Stock No. H14082.	§ 250.1203(b)(2).

* * * * *

3. In § 250.101, the following document in Table 1 in paragraph (e) is removed.

§ 250.101 Documents incorporated by reference.

* * * * *

(e) * * *

API Spec 14D, Specification for Wellhead Surface Safety Valves and Underwater Safety Valves for Offshore Service, Ninth Edition, June 1, 1994, with Errata dated August 1, 1994.	§ 250.806(a)(3).

* * * * *

4. In § 250.806, paragraph (a)(3) is revised to read as follows:

§ 250.806 Safety and pollution prevention equipment quality assurance requirements.

(a) * * *

(3) All SSV's and USV's must meet the technical specifications of API Spec 6A and 6AV1. All SSSV's must meet the technical specifications of API Spec 14A.

* * * * *

[FR Doc. 98–18089 Filed 7–8–98; 8:45 am]

BILLING CODE 4310–MR–P

DEPARTMENT OF DEFENSE

Department of the Army

32 CFR Part 588

Equal Employment Opportunity Discrimination Complaints

AGENCY: Assistant Secretary of the Army (Manpower and Reserve Affairs), DoD.

ACTION: Final rule.

SUMMARY: This document removes the Department of the Army's Equal Employment Opportunity Discrimination Complaints regulation codified in 32 CFR Chapter V. The part has served its purpose and no longer supports other related rules currently in existence. The Army is in the process, however, of revising its policies and procedures concerning Equal Employment Opportunity and will announce a future proposed rule for public comment.

DATES: This rule is effective July 9, 1998.

FOR FURTHER INFORMATION CONTACT: Mr. Stanley L. Kelley, Jr., Office of the Assistant Secretary, 2nd Floor, 1941 Jefferson Davis Highway, Arlington, VA 22202–4508, (703) 607–1448.

SUPPLEMENTARY INFORMATION: Removal of Part 588 is based on the issuance of 29 CFR part 1614 which supersedes the EEOC 29 CFR part 1613.

List of Subjects in 32 CFR Part 588

Administrative practice and procedure, Equal employment opportunity, Government employees.

PART 588—[REMOVED]

Accordingly, under the authority of 5 U.S.C. 301, 32 CFR part 588 is removed.

Stanley L. Kelley, Jr.,

Director, Equal Employment Complaints and Compliance.

[FR Doc. 98–18226 Filed 7–8–98; 8:45 am]

BILLING CODE 3710–08–M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 300

[FRL–6122–4]

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

AGENCY: Environmental Protection Agency.

ACTION: Notice of Deletion of Anaconda Aluminum/Milgo Electronics Site from the National Priorities List.

SUMMARY: The Environmental Protection Agency (EPA) Region 4 announces the deletion of the Anaconda Aluminum/ Milgo Electronics Corporation Site in Miami, Florida, from the National Priorities List (NPL). The NPL is codified as Appendix B of the National Oil and Hazardous Substances Pollution Contingency Plan (NCP), 40 CFR Part 300, which EPA promulgated pursuant to Section 105 of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, as amended. EPA and the State of Florida Department of Environmental Protection (FDEP) have determined that the Site poses no significant threat to public health or the environment and therefore, no further response pursuant to CERCLA is appropriate.

EFFECTIVE DATE: July 9, 1998.

ADDRESSES: Comprehensive information on this Site is available at two information repositories located at: North Central Library, 10750 SW 211th Street, Miami, Florida 33189, (305) 693–4541 and U.S EPA Record Center, 61 Forsyth Street, Atlanta, Georgia 30303, (404) 562–8881.

FOR FURTHER INFORMATION CONTACT: Jim McGuire, South Site Management Branch, U.S. Environmental Protection Agency, 61 Forsyth Street, Atlanta, Georgia 30303, (404)562–8911.

SUPPLEMENTARY INFORMATION: The Anaconda Aluminum/Milgo Electronics Corporation Site in Miami, Florida, is being deleted from the NPL.

A Notice of Intent to Delete for this site was published on March 23, 1998 (63 FR 13816). The closing date for comments on the Notice of Intent to Delete was April 22, 1998. EPA received no comments and therefore did not prepare a Responsiveness Summary.

The EPA identifies sites which appear to present a significant risk to public health, welfare, or the environment and it maintains the NPL as the list of those sites. Sites on the NPL may be subject of Hazardous Substance Response Trust Fund (Fund-) financed remedial actions. Any site deleted from the NPL remains eligible for Fund-financed remedial actions in the unlikely event that conditions at the site warrant such action. Section 301.425(e)(3) of the NCP states that Fund-financed actions may be taken at sites deleted from the NPL in the unlikely event that conditions at the site warrant such action. Deletion of a site from the NPL does not affect responsible party liability or impede agency efforts to recover costs associated with response efforts.

List of Subjects in 40 CFR Part 300

Environmental protection, Air pollution control, Chemicals, Hazardous substances, Hazardous waste, Intergovernmental relations, Penalties, Reporting and recordkeeping requirements, Superfund, Water pollution control, Water supply.

Dated: June 25, 1998.

A. Stanley Meiburg,

Acting Regional Administrator, USEPA Region 4.

40 CFR part 300 is amended as follows:

PART 300—[AMENDED]

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

Authority: 33 U.S.C. 1321(c)(2); 42 U.S.C. 9601–9657; E.O. 12777, 56 FR 54757, 3 CFR, 1991 Comp. p.351; E.O. 12580, 52 FR 2923, 3 CFR, 1987 Comp. p.193.

Appendix B—[Amended]

2. Table 1 of appendix B to part 300 is amended by removing the Site "Anaconda Aluminum Co./Milgo Electronics, Miami, Florida".

[FR Doc. 98–18074 Filed 7–8–98; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 64

[CC Docket No. 96–128; DA 98–1101]

Pay Telephone Reclassification and Compensation Provisions

AGENCY: Federal Communications Commission.

ACTION: Final rule; petition for waiver.

SUMMARY: On June 10, 1998, the Common Carrier Bureau ("Bureau") granted limited waivers of certain requirements relating to the provision of payphone-specific coding digits, established earlier in this proceeding, to Southwestern Bell Telephone Company, Pacific Bell, and Nevada Bell (collectively, "SBC"). These limited waivers extend the waiver period for certain technical problems which were included in limited waivers previously granted by the Bureau.

EFFECTIVE DATE: June 9, 1998.

FOR FURTHER INFORMATION CONTACT: Greg Lipscomb, Formal Complaints and Information Branch, Enforcement Division, Common Carrier Bureau. (202) 418–0960.

SUPPLEMENTARY INFORMATION: A toll-free call transmitted by a local exchange carrier (LEC) to an interexchange carrier (IXC) carries with it billing information codes, called automatic number identification (ANI), supplied by the LEC that assists the IXC in properly billing the call. Currently, however, not all payphone calls carry the payphone-specific coding digits necessary to identify the calls as payphone calls, making per-call tracking and blocking more difficult.

In the *Payphone Orders*,[1] 61 FR 52307 (October 7, 1996) and 61 FR 65341 (December 12, 1996), the Commission imposed a requirement that LECs provide payphone-specific coding digits to payphone service providers (PSPs), and that PSPs provide those digits from their payphones before the PSPs can receive per-call compensation from IXCs for subscriber 800 and access code calls. The Commission also stated that, to be eligible for per-call compensation beginning October 7, 1997, payphones were required to transmit specific payphone coding digits as a part of their

[1] *Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996*, CC Docket No. 96–128, Report and Order, 61 FR 52307 (October 7, 1996), 11 FCC Rcd 20,541 (1996), ("*Report and Order*"); Order on Reconsideration, 61 FR 65341 (December 12, 1996), 11 FCC Rcd 21,233 (1996) ("*Order on Reconsideration*") (together the "*Payphone Orders*").

ANI, which will assist in identifying payphones to compensation payers. Each payphone must transmit coding digits that specifically identify it as a payphone, and not merely as a restricted line. The Commission also clarified that by October 7, 1997, LECs had to make available to PSPs, on a tariffed basis, such coding digits as a part of the ANI for each payphone.

On October 7, 1997, the Bureau granted, on its own motion, pursuant to § 1.3 of the Commission's rules, a limited waiver, until March 9, 1998, of the payphone-specific coding requirement for those LECs and PSPs not yet able to provide transmission of such digits. On March 9, 1998, in the *Bureau Coding Digit Waiver Order*,[2] 63 FR 20534 (April 27, 1998), the Bureau again granted certain limited waivers, some of which expired on June 9, 1998. On May 22, 1998, SBC petitioned the Commission for extension of certain of the limited waivers that had been granted on March 9, 1998. On June 10, 1998, the Bureau granted, in part, SBC's petition. The limited waivers granted SBS on June 10, 1998 are subject to the same requirements as applied to the waivers granted for these same technical problems in the *Bureau Coding Digit Waiver Order*, 63 FR 20534 (April 27, 1998).

Specifically, the Bureau's June 10, 1998 order grants SBC limited waivers, until August 15, 1998, for provision of payphone-specific coding digits for 0-transfer calls from six DMS 200 traffic operator position system ("TOPS") switches; and until December 31, 1998, for 800-type database services calls routing to plain old telephone service ("POTS") phone numbers and 800-type database services calls routed to access tandem switches. The Bureau similarly grants payphone service providers ("PSPs") corresponding limited waivers of the requirement to provide payphone-specific coding digits before they can receive compensation from interexchange carriers ("IXCs") for the calls affected by SBC's technical problems.

The Bureau grants these limited waivers because it finds that special circumstances exist, and that granting these waivers will promote the public interest. These waivers are limited in time and scope, and relate to specific payphone coding digit implementation problems that SBC states affect a small percentage of the total number of payphone calls.

Accordingly, pursuant to authority contained in sections 1, 4, 201–205, 218, 226, and 276 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 154, 201–205, 218, 226, and 276, and the authority delegated pursuant to Sections 0.91, 0.291 and 1.3 of the Commission's rules, 47 CFR 0.91, 0.291 and 1.3, it is ordered that the waiver extensions are granted to the extent described herein, and otherwise are denied.

It is further ordered that this order is effective immediately upon release thereof, and that the waivers included in this order are effective June 9, 1998.

List of Subjects in 47 CFR Part 64

Communications common carriers, Operator service access, Payphone compensation, Telephone.

Federal Communications Commission.

Lawrence E. Strickling,

Deputy Bureau Chief, Common Carrier Bureau.

[FR Doc. 98–18237 Filed 7–8–98; 8:45 am]

BILLING CODE 6712–01–P

[2] *Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996*, Memorandum Opinion and Order, 63 FR 20534 (April 27, 1998), 13 FCC Rcd 4998 (1998) ("*Bureau Coding Digit Waiver Order*").

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 622

[I.D. 070298E]

Fisheries of the Caribbean, Gulf of Mexico, and South Atlantic; Shrimp Fishery of the Gulf of Mexico; Texas Closure

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Adjustment of the ending date of the Texas closure.

SUMMARY: NMFS announces an adjustment of the ending date of the annual closure of the shrimp fishery in the exclusive economic zone (EEZ) off Texas. The closure is normally from May 15 through July 15 each year. This year the closure will end at 30 minutes after sunset on July 8, 1998. The Texas closure is intended to prohibit the harvest of brown shrimp during their major period of emigration from Texas estuaries to the Gulf of Mexico so the shrimp may reach a larger, more valuable size and to prevent the waste of brown shrimp that would be discarded in fishing operations because of their small size.

DATES: The EEZ off Texas is closed to trawling from 30 minutes after sunset, May 15, 1998, to 30 minutes after sunset, July 8, 1998.

FOR FURTHER INFORMATION CONTACT: Michael E. Justen, 727–570–5305.

SUPPLEMENTARY INFORMATION: The Gulf of Mexico shrimp fishery is managed under the Fishery Management Plan for the Shrimp Fishery of the Gulf of Mexico (FMP). The FMP was prepared by the Gulf of Mexico Fishery Management Council and is implemented under the authority of the Magnuson-Stevens Fishery Conservation and Management Act by regulations at 50 CFR part 622.

The EEZ off Texas is normally closed to all trawling each year from 30 minutes after sunset on May 15 to 30 minutes after sunset on July 15. The regulations at 50 CFR 622.34(h) describe the area of the Texas closure and provide for adjustments to the beginning and ending dates by the Director, Southeast Region, NMFS, under procedures and restrictions specified in the FMP.

This year, the Texas closure began on May 15, 1998. Biological data collected by the Texas Parks and Wildlife Department indicate that ending the closure on July 8, 1998, will provide adequate protection of small brown shrimp emigrating from the Texas estuaries and, therefore, will be consistent with the FMP's criteria for adjustment of the closure. Accordingly, the time and date for ending the Texas closure as provided at 50 CFR 622.34(h)(1) is changed from 30 minutes after sunset, July 15, 1998, to 30 minutes after sunset on July 8, 1998. Texas waters are also to be opened beginning at 30 minutes after sunset on July 8, 1998.

Classification

This action is taken under 50 CFR 622.34(h)(2) and is exempt from review under E.O. 12866.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: July 2, 1998.

Gary C. Matlock,

Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 98–18232 Filed 7–6–98; 4:22 pm]

BILLING CODE 3510–22–F

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 679

[Docket No. 971208297–8054–02; I.D. 070298B]

Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Central Regulatory Area of the Gulf of Alaska

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Closure.

SUMMARY: NMFS is prohibiting directed fishing for Pacific ocean perch in the Central Regulatory Area of the Gulf of Alaska (GOA). This action is necessary to prevent exceeding the 1998 total allowable catch (TAC) of Pacific ocean perch in this area.

DATES: Effective 1200 hrs, Alaska local time (A.l.t.), July 6, 1998, until 2400 hrs, A.l.t., December 31, 1998.

FOR FURTHER INFORMATION CONTACT: Thomas Pearson, 907–486-6919.

SUPPLEMENTARY INFORMATION: The groundfish fishery in the GOA exclusive economic zone is managed by NMFS according to the Fishery Management Plan for Groundfish of the Gulf of Alaska (FMP) prepared by the North Pacific Fishery Management Council under authority of the Magnuson-Stevens Fishery Conservation and Management Act. Fishing by U.S. vessels is governed by regulations implementing the FMP at subpart H of 50 CFR part 600 and 50 CFR part 679.

The amount of the 1998 TAC of Pacific ocean perch in the Central Regulatory Area of the Gulf of Alaska was established by the Final 1998 Harvest Specifications of Groundfish for the GOA (63 FR 12027, March 12, 1998) as 6,600 metric tons (mt), determined in accordance with § 679.20(c)(3)(ii).

In accordance with § 679.20(d)(1)(i), the Administrator, Alaska Region, NMFS (Regional Administrator), has determined that the 1998 TAC for Pacific ocean perch will be reached. Therefore, the Regional Administrator is establishing a directed fishing allowance of 5,600 mt, and is setting aside the remaining 1,000 mt as bycatch to support other anticipated groundfish fisheries. In accordance with § 679.20(d)(1)(iii), the Regional Administrator finds that this directed fishing allowance has been reached. Consequently, NMFS is prohibiting directed fishing for Pacific ocean perch in the Central Regulatory Area of the GOA.

Maximum retainable bycatch amounts may be found in the regulations at § 679.20(e) and (f).

Classification

This action responds to the best available information recently obtained from the fishery. It must be implemented immediately to prevent overharvesting the 1998 TAC of Pacific ocean perch for the Central Regulatory Area of the GOA. A delay in the effective date is impracticable and contrary to the public interest. Further delay would only result in overharvest. NMFS finds for good cause that the implementation of this action should not be delayed for 30 days. Accordingly, under 5 U.S.C. 553(d), a delay in the effective date is hereby waived.

This action is required by 50 CFR 679.20 and is exempt from review under E.O. 12866.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: July 2, 1998.

Gary C. Matlock,

Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 98–18231 Filed 7–6–98; 4:22 pm]

BILLING CODE 3510–22–F

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 679

[Docket No. 971208297–8054–02; I.D. 070298C]

Fisheries of the Exclusive Economic Zone Off Alaska; Pacific Ocean Perch in the Eastern Regulatory Area of the Gulf of Alaska

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Closure.

SUMMARY: NMFS is prohibiting directed fishing for Pacific ocean perch in the Eastern Regulatory Area of the Gulf of Alaska (GOA). This action is necessary to prevent exceeding the 1998 total allowable catch (TAC) of Pacific ocean perch in this area.

DATES: Effective 1200 hrs, Alaska local time (A.l.t.), July 6, 1998, until 2400 hrs, A.l.t., December 31, 1998.

FOR FURTHER INFORMATION CONTACT: Thomas Pearson, 907–486-6919.

SUPPLEMENTARY INFORMATION: The groundfish fishery in the GOA exclusive economic zone is managed by NMFS according to the Fishery Management Plan for Groundfish of the Gulf of Alaska (FMP) prepared by the North Pacific Fishery Management Council under authority of the Magnuson-Stevens Fishery Conservation and Management Act. Fishing by U.S. vessels is governed by regulations implementing the FMP at subpart H of 50 CFR part 600 and 50 CFR part 679.

The amount of the 1998 TAC of Pacific ocean perch in the Eastern Regulatory Area of the Gulf of Alaska was established by the Final 1998 Harvest Specifications of Groundfish for the GOA (63 FR 12027, March 12, 1998) as 2,366 metric tons (mt), determined in accordance with § 679.20(c)(3)(ii).

In accordance with § 679.20(d)(1)(i), the Administrator, Alaska Region, NMFS (Regional Administrator), has determined that the 1998 TAC for Pacific ocean perch will be reached. Therefore, the Regional Administrator is establishing a directed fishing allowance of 2,116 mt, and is setting aside the remaining 250 mt as bycatch to support other anticipated groundfish fisheries. In accordance with § 679.20(d)(1)(iii), the Regional Administrator finds that this directed fishing allowance has been reached. Consequently, NMFS is prohibiting directed fishing for Pacific ocean perch in the Eastern Regulatory Area of the GOA.

Maximum retainable bycatch amounts may be found in the regulations at § 679.20(e) and (f).

Classification

This action responds to the best available information recently obtained from the fishery. It must be implemented immediately to prevent overharvesting the 1998 TAC of Pacific ocean perch for the Eastern Regulatory Area of the GOA. A delay in the effective date is impracticable and contrary to the public interest. Further delay would only result in overharvest. NMFS finds for good cause that the implementation of this action should not be delayed for 30 days. Accordingly, under 5 U.S.C. 553(d), a delay in the effective date is hereby waived.

This action is required by 50 CFR 679.20 and is exempt from review under E.O. 12866.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: July 2, 1998.

Gary C. Matlock,

Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 98–18230 Filed 7–6–98; 4:22 pm]

BILLING CODE 3510–22–F

Proposed Rules

Federal Register
Vol. 63, No. 131
Thursday, July 9, 1998

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–NM–72–AD]

RIN 2120–AA64

Airworthiness Directives; Boeing Model 737–100 and –200 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the supersedure of an existing airworthiness directive (AD), applicable to certain Boeing Model 737–100 and –200 series airplanes, that currently requires replacement of certain outboard and inboard wheel halves with improved wheel halves; cleaning and inspecting certain outboard and inboard wheel halves for corrosion, missing paint in large areas, and cracks; and repair or replacement of the wheel halves with serviceable wheel halves, if necessary. That AD was prompted by a review of the design of the flight control systems on Model 737 series airplanes. This action would require that the actions be accomplished in accordance with revised service information. The actions specified by the proposed AD are intended to prevent failure of the wheel flanges, which could result in damage to the hydraulics systems, jammed flight controls, loss of electrical power, or other combinations of failures; and consequent reduced controllability of the airplane.

DATES: Comments must be received by August 24, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 98–NM–72–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Allied Signal Aerospace Company, Bendix Wheels and Brakes Division, South Bend, Indiana 46624; and Bendix, Aircraft Brake and Strut Division, 3520 Westmoor Street, South Bend, Indiana 46628–1373. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

FOR FURTHER INFORMATION CONTACT: David Herron, Aerospace Engineer, Systems and Equipment Branch, ANM–130S, FAA, Transport Airplane Directorate, Seattle Aircraft Certification Office, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (425) 227–2672; fax (425) 227–1181.

SUPPLEMENTARY INFORMATION:

Comments Invited

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

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

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 98–NM–72–AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 98–NM–72–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

Discussion

On August 4, 1997, the FAA issued AD 97–17–01, amendment 39–10102 (62 FR 43067, August 12, 1997), applicable to certain Boeing Model 737–100 and –200 series airplanes, to require replacement of certain outboard and inboard wheel halves with improved wheel halves; cleaning and inspecting certain outboard and inboard wheel halves for corrosion, missing paint in large areas, and cracks; and repair or replacement of the wheel halves with serviceable wheel halves, if necessary. That action was prompted by a review of the design of the flight control systems on Model 737 series airplanes. The requirements of that AD are intended to prevent failure of the wheel flanges, which could result in damage to the hydraulics systems, jammed flight controls, loss of electrical power, or other combinations of failures; and consequent reduced controllability of the airplane.

Explanation of Revised Service Information

Since the issuance of that AD, the FAA has been advised that Allied Signal Service Bulletin No. 737–32–026, dated April 26, 1988, which was referenced as the appropriate source of service information for accomplishment of the actions specified in that original AD, was incorrect. Subsequently, the FAA has reviewed and approved Allied Signal Service Bulletin No. 737–32–026, dated June 27, 1988. The procedures described in that revision are similar to those described in the earlier version of the service bulletin. However, among other things, this new version of the service bulletin differs from the original version in the following respects:

1. The effectivity listing in the revised service bulletin includes a new part number for inboard wheel halves.
2. The revised service bulletin provides a new option for repainting the wheels.
3. The revised service bulletin identifies specific serial numbers of wheel halves on which "beef-ups" were

accomplished, but inspections are still necessary.

Accomplishment of the actions specified in the service bulletin is intended to adequately address the identified unsafe condition.

Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other products of this same type design, the proposed AD would supersede AD 97–17–01 to continue to require replacement of certain outboard and inboard wheel halves with improved wheel halves; cleaning and inspecting certain outboard and inboard wheel halves for corrosion, missing paint in large areas, and cracks; and repair or replacement of the wheel halves with serviceable wheel halves, if necessary. The actions would be required to be accomplished in accordance with the revised service bulletin described previously.

Cost Impact

There are approximately 634 Boeing Model 737–100 and –200 series airplanes of the affected design in the worldwide fleet. The FAA estimates that 241 airplanes of U.S. registry would be affected by this proposed AD.

Because this proposed AD would merely require that the actions currently required by AD 97–17–01 be accomplished in accordance with revised service information, the proposed AD would add no additional costs, and would require no additional work to be performed by affected operators. The current costs associated with this amendment are reiterated in their entirety (as follows) for the convenience of affected operators.

The FAA estimates that it will take approximately 4 work hours per airplane to accomplish the required replacement of wheel halves at an average labor rate of $60 per work hour. Required parts will cost approximately $20,212 per airplane. Based on these figures, the cost impact of the required replacement on U.S. operators is estimated to be $4,928,932, or $20,452 per airplane.

The FAA also estimates that it will take approximately 2 work hours per airplane to accomplish the required cleaning and inspection at an average labor rate of $60 per work hour. Based on these figures, the cost impact of the required cleaning and inspection on U.S. operators is estimated to be $28,920, or $120 per airplane.

Regulatory Impact

The regulations proposed herein would not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

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

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

2. Section 39.13 is amended by removing amendment 39–10102 (62 FR 43067, August 12, 1997), and by adding a new airworthiness directive (AD), to read as follows:

Boeing: Docket 98–NM–72–AD. Supersedes AD 97–17–01, amendment 39–10102.

Applicability: Model 737–100 and –200 series airplanes equipped with Bendix main wheel assemblies having part number (P/N) 2601571–1, certificated in any category.

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

Compliance: Required as indicated, unless accomplished previously.

To prevent failure of the wheel flanges, which could result in damage to the hydraulics systems, jammed flight controls, loss of electrical power, or other combinations of failures; and consequent reduced controllability of the airplane; accomplish the following:

Note 2: Allied Signal, Aircraft Landing Systems, Service Information Letter (SIL) #619, dated February 26, 1997, is an additional source of service information for appropriate wheel half serial numbers.

(a) For airplanes equipped with a Bendix main wheel assembly having P/N 2601571–1 with an inboard wheel half with serial number (S/N) B–5898 or lower, or S/N H–1721 or lower; or with an outboard wheel half with S/N B–5898 or lower, or S/N H–0863 or lower; accomplish the following:

(1) Within 180 days after September 16, 1997 (the effective date of AD 97–17–01, amendment 39–10102, 62 FR 43067), and thereafter at each tire change until the replacement required by paragraph (b) of this AD is accomplished: Accomplish the actions specified in paragraphs (a)(1)(i), (a)(1)(ii), and (a)(1)(iii) of this AD, in accordance with the Accomplishment Instructions of Allied Signal Service Bulletin No. 737–32–026, dated June 27, 1988.

(i) Clean any inboard and outboard wheel half specified in paragraph (a) of this AD. And

(ii) Inspect the wheel halves for corrosion or missing paint. If any corrosion is found, or if any paint is missing in large areas, prior to further flight, strip or remove paint, and remove any corrosion. And

(iii) Perform an eddy current inspection to detect cracks of the bead seat area.

(2) If any cracking is found during the inspections required by this paragraph, prior to further flight, repair or replace the wheel halves with serviceable wheel halves in accordance with procedures specified in the Component Maintenance Manual.

(b) For airplanes equipped with a Bendix main wheel assembly having P/N 2601571–1 with an inboard wheel half with S/N B–5898 or lower, or S/N H–1721 or lower; or with an outboard wheel half with S/N B–5898 or lower, or S/N H–0863 or lower; accomplish the following: Within 2 years after September 16, 1997, accomplish the actions specified in paragraphs (b)(1) and (b)(2) of this AD, in accordance with Bendix SIL 392, Revision 1, dated November 15, 1979. Accomplishment of the replacement constitutes terminating action for the repetitive inspections required by paragraph (a) of this AD.

(1) Remove any inboard wheel half specified in paragraph (b) of this AD, and

replace it with an inboard wheel half having P/N 2607046, S/N 5899 or greater, or S/N H–1722 or greater. And

(2) Remove any outboard wheel half specified in paragraph (b) of this AD, and replace it with an outboard wheel half having P/N 2607047, S/N B–5899 or greater, or S/N H–0864 or greater.

(c)(1) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Seattle Aircraft Certification Office (ACO), FAA, Transport Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Seattle ACO.

(c)(2) Alternative methods of compliance, approved previously in accordance with AD 97–17–01, amendment 39–10102, are approved as alternative methods of compliance with this AD.

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Seattle ACO.

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

Issued in Renton, Washington, on July 1, 1998.

Stewart R. Miller,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–18159 Filed 7–8–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket 97–NM–242–AD]

RIN 2120–AA64

Airworthiness Directives; McDonnell Douglas Model DC–8 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to certain Model DC–8 series airplanes. Among other things, this proposal would require repetitive leak tests of the lavatory drain systems and repair, if necessary; installation of a lever lock cap, vacuum breaker check valve or flush/fill line ball valve on the flush/fill line; periodic seal changes; and replacement of "donut" type waste drain valves installed in the waste drain system. This proposal is prompted by continuing reports of damage to engines, airframes, and to property on the ground, caused by "blue ice" that forms from leaking lavatory drain systems on transport category airplanes and subsequently dislodges from the airplane fuselage. The actions specified by this proposed AD are intended to prevent such damage associated with the problems of "blue ice."

DATES: Comments must be received by August 24, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 97–NM–242–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Walter Eierman, Aerospace Engineer, Systems and Equipment Branch, ANM–130L, FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California 90712–4317; telephone (562) 627–5336; fax (562) 627–5210.

SUPPLEMENTARY INFORMATION:

Comments Invited

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

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

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 97–NM–242–AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 97–NM–242–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

Discussion

Over the past several years, the FAA has received numerous reports of leakage from the lavatory service systems on in-service transport category airplanes that resulted in the formation of "blue ice" on the fuselage. In some instances, the "blue ice" subsequently dislodged from the fuselage and was ingested into an engine. In several of these incidents, the ingestion of "blue ice" into an engine resulted in the loss of an engine fan blade, severe engine damage, and the inflight shutdown of the engine. In two cases, the loads created by the "blue ice" being ingested into the engine resulted in the engine being physically torn from the airplane. Damage to an engine, or the separation of an engine from the airplane, could result in reduced controllability of the airplane.

The FAA also has received reports of at least three incidents of damage to the airframe of various models of transport category airplanes that was caused by foreign objects dislodged from the forward toilet drain valve and flush/fill line. One report was of a dent on the right horizontal stabilizer leading edge on a Boeing Model 737 series airplane that was caused by "blue ice" that had formed from leakage through a flush/fill line; in this case, the flush/fill cap was missing from the line at the forward service panel. Numerous operators have stated that leakage from the flush/fill line is a significant source of problems associated with "blue ice." Such damage caused by "blue ice" could adversely affect the integrity of the fuselage skin or surface structures.

Additionally, there have been numerous reports of "blue ice" dislodging from airplanes and striking houses, cars, buildings, and other occupied areas on the ground. Although there have been no reports of any person being struck by "blue ice," the FAA considers that the large number of reported cases of "blue ice" falling from lavatory drain systems is sufficient to support the conclusion that "blue ice" presents an unsafe condition to people on the ground. Demographic studies have shown that population density has increased around airports, and probably will continue to increase. These are

populations that are at greatest risk of damage and injury due to "blue ice" dislodging from an airplane during descent. Without actions to ensure that leaks from the lavatory drain systems are detected and corrected in a timely manner, "blue ice" incidents could go unchecked and eventually someone may be struck, perhaps fatally, by falling "blue ice."

Current Rules

In response to these incidents, the FAA has issued several AD's applicable to various transport category airplanes, and is currently considering additional rulemaking to address the problems associated with "blue ice" on other transport category airplanes.

Discussion of the Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other products of this same type design, the FAA is proposing this AD, which would require the following actions:

Paragraph (a) of the proposed AD would require periodic replacement of the valve seals of each lavatory drain system with new valve seals. This paragraph also would require repetitive leak tests of the lavatory dump valve and drain valve (either service panel or in-line drain valve). The leak test of panel valves would be required to be performed with a minimum of 3 pounds per square inch differential pressure (PSID) applied across the valve. If any leak is discovered during the leak checks, operators would be required either to repair the leak and retest it, or drain the lavatory system and placard it inoperative until repairs can be made.

In cases where the panel valve has both an inner seal and an outer cap seal, perform a visual inspection for damage or wear of the outer cap seal and seal surface. Any damaged parts detected would be required to be repaired or replaced prior to further flight, or the lavatory drained and placarded inoperative until repairs can be made.

Paragraph (a) of the proposed AD also requires replacement of all donut type drain system valves with another type of FAA-approved valve.

Additionally, the flush/fill line anti-siphon valve would be required to be leak checked. Seals of the anti-siphon (check) valve, flush/fill line cap, or flush/fill line ball valve would be required to be replaced periodically.

Paragraph (b) of the proposed AD would require that all operators install a lever lock cap on the flush/fill lines for all service panels, or install a flush/fill ball valve Kaiser Electroprecision part number series 0062–0009 on the flush/fill lines for all lavatories.

Paragraph (c) of the proposed AD would require that, before an operator places an airplane into service, a schedule for accomplishment of the leak tests required by this AD shall be established. This provision is intended to ensure that transferred airplanes are inspected in accordance with the AD on the same basis as if there were continuity in ownership, and that scheduling of the leak tests for each airplane is not delayed or postponed due to a transfer of ownership. Airplanes that have previously been subject to the AD would have to be checked in accordance with either the previous operator's or the new operator's schedule, whichever would result in the earlier accomplishment date for that leak test. Other airplanes would have to be inspected before an operator could begin operating them or in accordance with a schedule approved by the FAA Principal Maintenance Inspector (PMI), but within a period not to exceed 200 flight hours.

Economic Impact

There are approximately 306 Model DC–8 series airplanes of the affected design in the worldwide fleet. The FAA estimates that 229 airplanes of U.S. Registry and 26 U.S. operators would be affected by this proposed AD.

The proposed waste drain system leak test and outer cap inspections would take approximately 6 work hours per airplane to accomplish, at an average labor rate of $60 per work hour. Based on these figures, the cost impact on U.S. operators of the waste drain system leak test and outer cap inspection is estimated to be $82,440, or $360 per airplane, per test/inspection.

Certain airplanes (i.e., those that have "donut" type drain valve installed) may be required to be leak tested as many as 15 times each year. Certain other airplanes having other valve configurations would be required to be leak tested as few as 3 times each year. Based on these figures, the cost impact of this proposed requirement is estimated to be between $1,080 and $5,400 per airplane per year.

With regard to replacement of "donut" type drain valves, the cost of a new valve is approximately $1,200. However, the number of leakage tests for an airplane that flies an average of 3,000 flight hours a year is reduced from 15 tests to 3 tests, which essentially pays for the cost of the replacement valve, so that no additional net cost is incurred because of this change.

The FAA estimates that it would take approximately 1 work hour per airplane to accomplish a visual inspection of the service panel drain valve cap/door seal and seal mating surfaces, at an average labor rate of $60 per work hour. As with leak tests, certain airplanes would be required to be visually inspected as many as 15 times or as few as 3 times each year. Based on these figures, the cost impact of the proposed repetitive visual inspections is estimated to be between $180 and $900 per airplane per year.

The proposed installation of the flush/fill line cap would take approximately 1 hour per cap to accomplish, at an average labor rate of $60 per work hour. The cost of required parts would be $275 per cap. There are an average of 2.5 caps per airplane. Based on these figures, the cost impact on U.S. operators of these proposed requirements is estimated to be $171,178, or $748 per airplane.

The proposed seal replacements of the drain valves required by paragraph (a) of this AD would require approximately 2 work hours to accomplish, at an average labor cost of $60 per hour. The cost of required parts would be $200 per each seal change. Based on these figures, the cost impact on U.S. operators of these proposed requirements of this AD is estimated to be $73,280, or approximately $320 per airplane, per replacement.

The number of required work hours, as indicated above, is presented as if the accomplishment of the actions proposed in this AD were to be conducted as "stand alone" actions. However, in actual practice, these actions could be accomplished coincidentally or in combination with normally scheduled airplane inspections and other maintenance program tasks. Therefore, the actual number of necessary "additional" work hours would be minimal in many instances. Additionally, any costs associated with special airplane scheduling should be minimal.

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

The FAA recognizes that the obligation to maintain aircraft in an airworthy condition is vital, but sometimes expensive. Because AD's require specific actions to address specific unsafe conditions, they appear to impose costs that would not otherwise be borne by operators. However, because of the general obligation of operators to maintain aircraft in an airworthy condition, this

appearance is deceptive. Attributing those costs solely to the issuance of this AD is unrealistic because, in the interest of maintaining safe aircraft, prudent operators would accomplish the required actions even if they were not required to do so by the AD.

A full cost-benefit analysis has not been accomplished for this AD. As a matter of law, in order to be airworthy, an aircraft must conform to its type design and be in a condition for safe operation. The type design is approved only after the FAA makes a determination that it complies with all applicable airworthiness requirements. In adopting and maintaining those requirements, the FAA has already made the determination that they establish a level of safety that is cost-beneficial. When the FAA, as in this AD, makes a finding of an unsafe condition, this means that the original cost-beneficial level of safety is no longer being achieved and that the required actions are necessary to restore that level of safety. Because this level of safety has already been determined to be cost-beneficial, a full cost-benefit analysis for this AD would be redundant and unnecessary.

Regulatory Impact

The regulations proposed herein would not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

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

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety

The Proposed Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

Authority: 49 U.S.C. 106(g), 40101, 40113, 44701.

§ 39.13 [Amended]

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

McDonnell Douglas: Docket 97–NM–242–AD.

Applicability: Model DC–8 series airplanes equipped with a lavatory drainage system; certificated in any category.

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

Compliance: Required as indicated, unless previously accomplished.

To prevent engine damage, airframe damage, and/or hazard to persons or property on the ground as a result of "blue ice" that has formed from leakage of the lavatory drain system or flush/fill system and dislodged from the airplane, accomplish the following:

(a) Accomplish the applicable requirements of paragraphs (a)(1) through (a)(9) of this AD at the time specified in each paragraph. For the waste drain system of any lavatory that incorporates more than one type of valve, only one of the waste drain system leak test procedures (the one that applies to the equipment with the longest leak test interval) must be conducted at each service panel location. During the performance of the waste drain system valve leak tests specified in this AD, fluid shall completely cover the upstream end of the valve being tested. The direction of the 3 pounds per square inch differential pressure (PSID) shall be applied in the same direction as occurs in flight; the other waste drain system valves shall be open, and the minimum time to maintain the differential pressure shall be 5 minutes. Any revision of the seal change intervals or leak test intervals must be approved by the Manager, Los Angeles Aircraft Certification Office (ACO), FAA, Transport Airplane Directorate.

Note 2: Inclusion of a valve in this AD does not mean that the valve has been certified for installation in DC–8 series airplanes. Certification of the valve for installation in the airplane must be accomplished by means acceptable to the FAA, if the valve has not been previously certified.

(1) Replace the valve seals with new valve seals in accordance with the applicable schedule specified in paragraphs (a)(1)(i), (a)(1)(ii), and (a)(1)(iii) of this AD.

(i) For each lavatory drain system that has an in-line drain valve installed, Kaiser Electroprecision part number (p/n) series 2651–278: Replace the seals within 5,000 flight hours after the effective date of this AD, or within 48 months after the last documented seal change, whichever occurs later. Thereafter, replace the seals at intervals not to exceed 48 months.

(ii) For each lavatory drain system that has a Pneudraulics part number series 9527 valve: Replace the seals within 5,000 flight hours after the effective date of this AD, or within 18 months after the last documented seal change, whichever occurs later. Thereafter, replace the seals at intervals not to exceed 18 months or 6,000 flight hours, whichever occurs later.

(iii) For each lavatory drain system that has any other type of drain valve: Replace the seals within 5,000 flight hours after the effective date of this AD, or within 18 months after the last documented seal change, whichever occurs later. Thereafter, replace the seals at intervals not to exceed 18 months.

(2) For each lavatory drain system that has an in-line drain valve installed, Kaiser Electroprecision p/n series 2651–278: Within 4,500 flight hours after the effective date of this AD, and thereafter at intervals not to exceed 4,500 flight hours, accomplish the procedures specified in paragraphs (a)(2)(i) and (a)(2)(ii) of this AD.

(i) Conduct a leak test of the toilet tank dump valve (in-tank valve that is spring loaded closed and operable by a T-handle at the service panel) and the in-line drain valve. The toilet tank dump valve leak test must be performed by filling the toilet tank with a minimum of 10 gallons of water/rinsing fluid and testing for leakage after a period of 5 minutes. Take precautions to avoid overfilling the tank and spilling fluid into the airplane. The in-line drain valve leak test must be performed with a minimum of 3 PSID applied across the valve.

(ii) If a service panel valve or cap is installed, perform a visual inspection to detect wear or damage that may allow leakage of the service panel drain valve outer cap/door seal and the inner seal (if the valve has an inner door with a second positive seal), and the seal mating surfaces.

(3) For each lavatory drain system that has a service panel drain valve installed, Pneudraulics p/n series 9527: Within 2,000 flight hours after the effective date of this AD, and thereafter at intervals not to exceed 2,000 flight hours, accomplish the procedures specified in paragraphs (a)(3)(i) and (a)(3)(ii) of this AD.

(i) Conduct a leak test of the toilet tank dump valve and the service panel drain

valve. The toilet tank dump valve leak test must be performed by filling the toilet tank with a minimum of 10 gallons of water/rinsing fluid and testing for leakage after a period of 5 minutes. Take precautions to avoid overfilling the tank and spilling fluid into the airplane. The leak test of the service panel drain valve must be performed with a minimum of 3 PSID applied across the valve inner door/closure device.

(ii) Perform a visual inspection of the outer cap/door and seal mating surface for wear or damage that may cause leakage.

(4) For each lavatory drain system that has a service panel drain valve installed, Kaiser Electroprecision p/n series 0218–0032, or Shaw Aero Devices part number/serial number as listed in Table 1 of this AD: Within 1,000 flight hours after the effective date of this AD, and thereafter at intervals not to exceed 1,000 flight hours, accomplish the procedures specified in paragraphs (a)(4)(i) and (a)(4)(ii) of this AD.

TABLE 1.—SHAW AERO VALVES APPROVED FOR 1,000 FLIGHT HOUR LEAK TEST INTERVAL

Shaw waste drain valve part No.	Serial No. of part No. Valve approved for 1,000-hour leak test interval
331 Series, 332 Series	All.
10101000B–A	None.
10101000B–A–1	0207–0212, 0219, 0226 and higher.
10101000BA2	0130 and higher.
10101000C–A–1	0277 and higher.
10101000C–J	None.
10101000C–J–2	None.
10101000CN OR C–N	3649 and higher.
Certain 10101000B valves	Any of these "B" series valves that incorporate the improvements of Shaw Service Bulletin 10101000B–38–1, dated October 7, 1994, and are marked "SBB38–1–58".
Certain 10101000C valves	Any of these "C" series valves that incorporate the improvements of Shaw Service Bulletin 10101000C–38–2 dated October 7, 1994, and are marked "SBC38–2–58".

(i) Conduct a leak test of the toilet tank dump valve and service panel drain valve. The toilet tank dump valve leak test must be performed by filling the toilet tank with a minimum of 10 gallons of water/rinsing fluid and testing for leakage after a period of 5 minutes. Take precautions to avoid overfilling the tank and spilling fluid into the airplane. The service panel drain valve leak test must be performed with a minimum of 3 PSID applied across the valve inner door/closure device.

(ii) Perform a visual inspection of the outer cap/door and seal mating surface for wear or damage that may cause leakage.

(5) For each lavatory drain system that has a service panel drain valve installed, Kaiser Electroprecision p/n series 0218–0026; or Shaw Aero Devices p/n series 10101000B or 10101000C [except as specified in paragraph (a)(4) of this AD]: Within 600 flight hours after the effective date of this AD, and thereafter at intervals not to exceed 600 flight hours, accomplish the procedures specified in paragraphs (a)(5)(i) and (a)(5)(ii) of this AD.

(i) Conduct a leak test of the toilet tank dump valve and the service panel drain valve. The leak test of the toilet tank dump valve must be performed by filling the toilet tank with a minimum of 10 gallons of water/rinsing fluid and testing for leakage after a period of 5 minutes. Take precautions to avoid overfilling the tank and spilling fluid into the airplane. The service panel drain valve leak test must be performed with a minimum of 3 PSID applied across the valve inner door/closure device.

(ii) Perform a visual inspection of the outer cap/door and seal mating surface for wear or damage that may cause leakage.

(6) For each lavatory drain system with a lavatory drain system valve that incorporates either "donut" plug, Kaiser Electroprecision p/n's 4259–20 or 4259–31; Kaiser Roylyn/Kaiser Electroprecision cap/flange p/n's 2651–194C, 2651–197C, 2651–216, 2651–219, 2651–235, 2651–256, 2651–258, 2651–259, 2651–260, 2651–275, 2651–282, 2651–286; Shaw Aero Devices assembly p/n 0008–100; or other FAA-approved equivalent parts; accomplish the requirements of paragraphs (a)(6)(i), (a)(6)(ii), and (a)(6)(iii) of this AD at the times specified in those paragraphs. For the purposes of this paragraph [(a)(6)], "FAA-approved equivalent part" means either a "donut" plug which mates with the cap/flange p/n's listed above, or a cap/flange which mates with the "donut" plug p/n's listed above, such that the cap/flange and "donut" plug are used together as an assembled valve.

(i) Within 200 flight hours after the effective date of this AD, and thereafter at intervals not to exceed 200 flight hours, conduct leak tests of the toilet tank dump valve and the service panel drain valve. The leak test of the toilet tank dump valve must be performed by filling the toilet tank with a minimum of 10 gallons of water/rinsing fluid and testing for leakage after a period of 5 minutes. Take precautions to avoid overfilling the tank and spilling fluid into the airplane. The service panel drain valve leak test must be performed with a minimum 3 PSID applied across the valve.

(ii) Perform a visual inspection of the outer door/cap and seal mating surface for wear or damage that may cause leakage. This inspection shall be accomplished in conjunction with the leak tests of paragraph (a)(6)(i).

(iii) Within 5,000 flight hours after the effective date of this AD, replace all the "donut" valves identified in paragraph (a)(6) of this AD with another type of FAA-approved valve. Following installation of the replacement valve, perform the appropriate leak tests and seal replacements at the intervals specified for that replacement valve, as applicable.

(7) For each lavatory drain system not addressed in paragraphs (a)(2), (a)(3), (a)(4), (a)(5), and (a)(6) of this AD: Within 200 flight hours after the effective date of this AD, and thereafter at intervals not to exceed 200 flight hours, accomplish the procedures specified in paragraphs (a)(7)(i) and (a)(7)(ii) of this AD.

(i) Conduct a leak test of the toilet tank dump valve and the service panel drain valve. The toilet tank dump valve leak test must be performed by filling the toilet tank with a minimum of 10 gallons of water/rinsing fluid and testing for leakage after a period of 5 minutes. Take precautions to avoid overfilling the tank and spilling fluid into the airplane. The leak test of the service panel drain valve must be performed with a minimum of 3 PSID applied across the valve inner door/closure device.

(ii) Perform a visual inspection of the outer cap/door and seal mating surface for wear or damage that may cause leakage.

(8) For flush/fill lines: Within 5,000 flight hours after the effective date of this AD, perform the requirements of paragraph (a)(8)(i) or (a)(8)(ii), as applicable; and paragraph (a)(8)(iii) of this AD. Thereafter, repeat these requirements at intervals not to exceed 5,000 flight hours, or 48 months after the last documented seal change, whichever occurs later.

(i) If a lever lock cap is installed on the flush/fill line of the subject lavatory, replace the seals on the toilet tank anti-siphon (check) valve and the flush/fill line cap. Perform a leak test of the toilet tank anti-siphon (check) valve with a minimum of 3 PSID across the valve, in accordance with the applicable portions of paragraph (a)(8)(ii)(A) of this AD.

(ii) If a vacuum breaker check valve, Monogram p/n series 3765–190, or Shaw Aero Devices p/n series 301–0009–01 is installed on the subject lavatory, replace the seals/o-rings in the valve. Perform a leak test of the vacuum breaker check valve and verify proper operation of the vent line vacuum breaker, in accordance with paragraphs (a)(8)(ii)(A) and (a)(8)(ii)(B) of this AD.

(A) Leak test the toilet tank anti-siphon (check) valve or the vacuum breaker check valve by filling the toilet tank with water/rinsing fluid to a level such that the bowl is approximately half full (at least 2 inches above the flapper in the bowl). Apply 3 PSID across the valve in the same direction as occurs in flight. The vent line vacuum breaker on vacuum breaker check valves must be pinched closed or plugged for this leak test. If there is a cap/valve at the flush/fill line port, the cap/valve must be removed/open during the test. Check for leakage at the flush/fill line port for a period of 5 minutes.

(B) Verify proper operation of the vent line vacuum breaker by filling the tank and checking at the fill line port for back drainage after disconnecting the fluid source from the flush/fill line port. If back drainage does not occur, replace the vent line vacuum breaker or repair the vacuum breaker check valve, in accordance with the component maintenance manual to obtain proper back drainage. As an alternative to the test technique specified above, verify proper operation of the vent line vacuum breaker in accordance with the procedures of the applicable component maintenance manual.

(iii) If a flush/fill ball valve, Kaiser Electroprecision p/n series 0062–0009, is installed on the flush/fill line of the subject lavatory, replace the seals in the flush/fill ball valve and the toilet tank anti-siphon valve. Perform a leak test of the toilet tank anti-siphon valve with a minimum of 3 PSID across the valve, in accordance with paragraph (a)(8)(ii)(A) of this AD.

(9) If leakage is discovered during any leak test or inspection required by paragraph (a) of this AD, or if evidence of leakage is found at any other time, accomplish the requirements of paragraph (a)(9)(i), (a)(9)(ii), or (a)(9)(iii) of this AD, as applicable.

(i) If a leak is discovered, prior to further flight, repair the leak. Prior to further flight after repair, perform the appropriate leak test as specified in paragraph (a) of this AD, as applicable. Additionally, prior to returning the airplane to service, clean the surfaces adjacent to where the leakage occurred to clear them of any horizontal fluid residue streaks; such cleaning must be to the extent that any future appearance of a horizontal fluid residue streak will be taken to mean that the system is leaking again.

Note 3: For purposes of this AD, "leakage" is defined as any visible leakage, if observed during a leak test. At any other time (than during a leak test), "leakage" is defined as the presence of ice in the service panel, or horizontal fluid residue streaks/ice trails originating at the service panel. The fluid residue is usually, but not necessarily, blue in color.

(ii) If any worn or damaged seal is found, or if any damaged seal mating surface is found, prior to further flight, repair or replace it in accordance with the valve manufacturer's maintenance manual.

(iii) In lieu of performing the requirements of paragraph (a)(9)(i) or (a)(9)(ii): Prior to further flight, drain the affected lavatory system and placard the lavatory inoperative until repairs can be accomplished.

(b) For all airplanes: Unless accomplished previously, within 5,000 flight hours after the effective date of this AD, perform the actions specified in either paragraph (b)(1) or (b)(2) of this AD:

(1) Install an FAA-approved lever lock cap on the flush/fill lines for all lavatories. Or

(2) Install a vacuum break, Monogram p/n series 3765–190, or Shaw Aero Devices p/n series 301–0009–01, in the flush/fill lines for all lavatories. Or

(3) Install a flush/fill ball valve, Kaiser Electroprecision p/n series 0062–0009 on the flush/fill lines for all lavatories.

(c) For any affected airplane acquired after the effective date of this AD: Before any operator places into service any airplane subject to the requirements of this AD, a schedule for the accomplishment of the leak tests required by this AD shall be established in accordance with either paragraph (c)(1) or (c)(2) of this AD, as applicable. After each leak test has been performed once, each subsequent leak test must be performed in accordance with the new operator's schedule, in accordance with paragraph (a) of this AD.

(1) For airplanes that have been maintained previously in accordance with this AD, the first leak test to be performed by the new operator must be accomplished in accordance with the previous operator's schedule or with the new operator's schedule, whichever results in the earlier accomplishment date for that leak test.

(2) For airplanes that have not been previously maintained in accordance with this AD, the first leak test to be performed by the new operator must be accomplished prior to further flight, or in accordance with a schedule approved by the FAA Principal Maintenance Inspector (PMI), but within a period not to exceed 200 flight hours.

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

Note 4: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Los Angeles ACO.

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

Issued in Renton, Washington, on July 1, 1998.

S.R. Miller,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–18158 Filed 7–8–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–NM–01–AD]

RIN 2120–AA64

Airworthiness Directives; Airbus Model A320 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the supersedure of an existing airworthiness directive (AD), applicable to certain Airbus Model A320–111, –211, –212, and –231 series airplanes, that currently requires reinforcement of the tail section of the fuselage at frames 68 and 69. That AD was prompted by reports indicating that the tail section has struck the runway during takeoffs and landings. This action would add a requirement for reinforcement of the tail section of the fuselage at frames 65 to 67. This action also would revise the applicability of the existing AD. The actions specified by the proposed AD are intended to prevent structural damage to the tail section when it strikes the runway, which could result in depressurization of the fuselage during flight.

DATES: Comments must be received by August 10, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 98–NM–01–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Airbus Industrie, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

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

SUPPLEMENTARY INFORMATION:

Comments Invited

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

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

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 98–NM–01–AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 98–NM–01–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

Discussion

On April 2, 1997, the FAA issued AD 97–08–04, amendment 39–9992 (62 FR 17532, April 10, 1997), applicable to certain Airbus Model A320–111, –211, –212, and –231 airplanes, to require reinforcement of the tail section of the fuselage at frames 68 and 69. That action was prompted by reports indicating that the tail section has struck the runway during takeoffs and landings. The requirements of that AD are intended to prevent structural damage to the tail section when it strikes the runway; that condition, if not detected, could result in depressurization of the fuselage during flight.

Actions Since Issuance of Previous AD

In the preamble to AD 97–08–04, the FAA specified that it may consider additional rulemaking to require modification of other affected fuselage frames once new service information was released by the manufacturer. The manufacturer has now released such information, and the FAA has determined that further rulemaking is indeed necessary; this proposed AD follows from that determination.

Explanation of New Service Information

The manufacturer has issued Airbus Service Bulletin A320–53–1131, dated July 24, 1997, which describes procedures for modification of the tail section of the airplane by reinforcing the fuselage structure at frames 65 to 67. The modification involves strengthening the fuselage structure at frames C65, C66, and C67 by installing new lower frames. Accomplishment of the actions specified in the service bulletin is intended to adequately address the identified unsafe condition.

The manufacturer also has issued Revision 1 of Airbus Service Bulletin A320–53–1110, dated November 27, 1995. The original issue of the service bulletin was referenced in the existing AD as an appropriate source of service information for modification of the tail section of the airplane at frames 68 and 69. Revision 1 is essentially identical to the original issue of the service bulletin; however, it revises references to certain part numbers.

The Direction Générale de l'Aviation Civile (DGAC), which is the airworthiness authority for France, classified these service bulletins as mandatory and issued French airworthiness directive 97–315–109(B), dated October 22, 1997, in order to assure the continued airworthiness of these airplanes in France.

FAA's Conclusions

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

Explanation of Requirements of Proposed Rule

Since an unsafe condition has been identified that is likely to exist or develop on other airplanes of the same type design registered in the United States, the proposed AD would supersede AD 97–08–04 to continue to require reinforcement of the tail section of the fuselage at frames 68 and 69. The proposed AD would add a requirement for reinforcement of the tail section of the fuselage at frames 65 to 67. This action also would revise the applicability of the existing AD. The actions would be required to be accomplished in accordance with the service bulletins described previously.

Cost Impact

There are approximately 118 airplanes of U.S. registry that would be affected by this proposed AD.

The actions that are currently required by AD 97–08–04, and retained in this proposed AD, take approximately 196 work hours per airplane to accomplish, at an average labor rate of $60 per work hour. Required parts will be provided by the manufacturer at no cost to the operators. Based on these figures, the cost impact of the currently required actions on U.S. operators is estimated to be $1,387,680, or $11,760 per airplane.

The new actions that are proposed in this AD action would take approximately 488 work hours per airplane to accomplish, at an average labor rate of $60 per work hour. Required parts would be provided by the manufacturer at no cost to the operators. Based on these figures, the cost impact of the proposed requirements of this AD on U.S. operators is estimated to be $3,455,040, or $29,280 per airplane.

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

Regulatory Impact

The regulations proposed herein would not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this proposed regulation (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) if

promulgated, will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **ADDRESSES.**

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

2. Section 39.13 is amended by removing amendment 39–9992 (62 FR 17532, April 10, 1997), and by adding a new airworthiness directive (AD), to read as follows:

Airbus Industrie: Docket 98–NM–01–AD. Supersedes AD 97–08–04, Amendment 39–9992.

Applicability: Model A320 series airplanes on which Airbus Modification 22764 has not been installed, certificated in any category.

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

Compliance: Required as indicated, unless accomplished previously.

To prevent structural damage to the tail section when it strikes the runway, which could result in depressurization of the fuselage during flight, accomplish the following:

Restatement of Requirement of AD 97–08–04

(a) For airplanes listed in Airbus Service Bulletin A320–53–1110, dated August 28, 1995: Within 6 years after May 15, 1997 (the effective date of AD 97–08–04, amendment 39–9992), modify the fuselage by reinforcing frames 68 and 69 in accordance with Airbus Service Bulletin A320–53–1110, dated August 28, 1995; or Revision 1, dated November 27, 1995.

New Requirements of this AD

(b) For airplanes other than those identified in paragraph (a) of this AD: Within 5 years after the effective date of this AD, modify the fuselage by reinforcing frames 68 and 69 in accordance with Airbus Service Bulletin A320–53–1110, dated August 28, 1995, or Revision 1, dated November 27, 1995.

(c) For all airplanes: Within 5 years after the effective date of this AD, modify the fuselage by reinforcing frames 65 to 67 in accordance with Airbus Service Bulletin A320–53–1131, dated July 24, 1997.

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

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

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

Note 3: The subject of this AD is addressed in French airworthiness directive 97–315–109(B), dated October 22, 1997.

Issued in Renton, Washington, on July 1, 1998.

Stewart R. Miller,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–18157 Filed 7–8–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 97–NM–92–AD]

RIN 2120–AA64

Airworthiness Directives; Mitsubishi Model YS–11 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to all Mitsubishi Model YS–11 series airplanes. This proposal would require repetitive inspections to detect fatigue cracking in the manhole doublers of the lower wing panels; and repair, if necessary. This proposal also would require eventual modification of screw holes in the manhole doublers of the lower wing panels. This proposal is prompted by issuance of mandatory continuing airworthiness information by a foreign civil airworthiness authority. The actions specified by the proposed AD are intended to detect and correct fatigue cracking in the manhole doublers of the lower wing panels, which could result in failure of the wing structure.

DATES: Comments must be received by August 10, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 97–NM–92–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Nihon Aeroplane Manufacturing, Toranomon Daiichi, Kotohire-Cho, Shiba, Minato-Ku, Tokyo, Japan. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, Transport Airplane Directorate, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California.

FOR FURTHER INFORMATION CONTACT: William Roberts, Aerospace Engineer, Airframe Branch, ANM–120L, FAA, Transport Airplane Directorate, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California 90712–4137; telephone (562) 627–5228; fax (562) 627–5210.

SUPPLEMENTARY INFORMATION:

Comments Invited

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

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

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

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 97–NM–92–AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 97–NM–92–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

Discussion

The Japan Civil Aviation Bureau (JCAB), which is the airworthiness authority for Japan, notified the FAA that an unsafe condition may exist on all Mitsubishi Model YS–11 series airplanes. The JCAB advises that, during fatigue testing performed by the manufacturer, fatigue cracking was detected in the manhole doublers of a lower wing panel after 52,600 total flight cycles. The cracking has been attributed to stress concentrations caused by the manhole cutout and the screw holes. Cracks propagated quickly and also developed in the outer panel and stringer. Such fatigue cracking, if not detected and corrected, could progress to the wing skins and result in failure of the wing structure.

Explanation of Relevant Service Information

Mitsubishi has issued Nihon Aeroplane Manufacturing Company (NAMC) YS–11 Service Bulletin 57–77, Revision 2, dated September 14, 1994, which describes procedures for repetitive visual inspections to detect fatigue cracking in the manhole doublers of the lower wing panels; repair, if necessary; and modification of screw holes in the manhole doublers of the lower wing panels. The modification involves a fluorescent penetrant or high-frequency eddy current inspection to detect cracking in the manhole doublers and screw holes, cold working (cold expansion) of the screw holes, and follow-on actions to prevent corrosion. (These follow-on actions include applying primer, anticorrosive, and sealant.) Accomplishment of the actions specified in the service bulletin is intended to adequately address the identified unsafe condition.

The JCAB classified this service bulletin as recommended and issued Japanese airworthiness directive TCD–3795–2–96, dated December 13, 1996, in order to assure the continued airworthiness of these airplanes in Japan.

Mitsubishi also has issued NAMC YS–11 Supplemental Inspection Document (SID) Publication Number YS-MR–201, dated November 11, 1994. Inspection Item 57–00–03 of the SID (hereinafter referred to as "the SID item") describes procedures for repetitive visual inspections to detect fatigue cracking in the manhole doublers of the lower wing panels. These inspections essentially are equivalent to the repetitive visual inspections that would be required by this proposed AD. The JCAB approved the SID; however, the FAA has not been informed of the issuance of a Japanese airworthiness directive that would require accomplishment of the SID program for these airplanes in Japan.

FAA's Conclusions

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

Explanation of Requirements of Proposed Rule

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

Differences Between Proposed Rule, Service Information, and Japanese Airworthiness Directive

Operators should note that the SID item, described previously, specifies accomplishment of certain inspections that are equivalent to those that would be required by this proposed AD. However, because the inspections described in the SID have not been mandated previously by the FAA, and because failure to detect fatigue cracking in this area could result in the unsafe condition described previously, the FAA has determined that it is necessary to require accomplishment of these inspections, as well as modification of the affected area, via this proposed AD, in order to ensure the continued operational safety of these airplanes.

Operators also should note that the service bulletin and the Japanese airworthiness directive, described previously, specify that accomplishment of the modification eliminates the need for the repetitive inspections described in the service bulletin. However, the SID item provides for continued inspections following accomplishment of the modification. Therefore, this proposed AD requires repetitive inspections after accomplishment of the modification proposed by this AD.

Operators also should note that, although the service bulletin and the Japanese airworthiness directive specify accomplishment of the initial inspection prior to the accumulation of 60,000 total flight cycles, with a repetitive interval of 2,000 flight cycles, the SID item provides for an initial inspection prior to the accumulation of 45,000 total flight cycles and a repetitive inspection interval of 8,000 flight cycles. Following accomplishment of the modification described in the service bulletin, the SID item specifies that the repetitive interval is reduced to 6,000 flight cycles. In light of the compliance times recommended in the SID item, the FAA finds that the initial inspection must be accomplished prior to the accumulation of 45,000 total flight cycles. However, the FAA has determined that an inspection interval of 6,000 flight cycles is appropriate, both before and after accomplishment of the modification specified in the service bulletin.

Additionally, operators should note that the Japanese airworthiness directive specifies that modification of the screw holes in the manhole doublers of the lower wing panels be accomplished prior to the accumulation of 60,000 total flight cycles, or before December 13, 2000 (four years after the effective date of the Japanese airworthiness directive), whichever occurs later. In developing

an appropriate compliance time for this proposed AD, the FAA considered not only the safety implications and the JCAB's recommendations, but also the manufacturer's recommendations. The manufacturer recommended accomplishment of the modification prior to the accumulation of 60,000 total flight cycles, or January 8, 1997 (four years after the issuance of the original service bulletin). The FAA also considered the fact that the referenced version of the service bulletin (which contains the procedures for accomplishing the required modification) has been available to all operators of Mitsubishi YS–11 series airplanes since September 1994. In light of all of these factors, the FAA finds that the modification must be accomplished prior to the accumulation of 60,000 total flight cycles, which represents an appropriate interval of time allowable for affected airplanes to continue to operate without compromising safety.

Cost Impact

The FAA estimates that 25 airplanes of U.S. registry would be affected by this proposed AD.

It would take approximately 30 work hours per airplane to accomplish the proposed inspection, at an average labor rate of $60 per work hour. Based on these figures, the cost impact of the inspection proposed by this AD on U.S. operators is estimated to be $45,000, or $1,800 per airplane, per inspection cycle.

It would take approximately 40 work hours per airplane to accomplish the proposed modification, at an average labor rate of $60 per work hour. Based on these figures, the cost impact of the modification proposed by this AD on U.S. operators is estimated to be $60,000, or $2,400 per airplane.

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

Regulatory Impact

The regulations proposed herein would not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

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

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

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

Mitsubishi Heavy Industries, Ltd.: Docket 97–NM–92–AD.

Applicability: All Model YS–11 series airplanes, certificated in any category.

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

Compliance: Required as indicated, unless accomplished previously.

To detect and correct fatigue cracking in the manhole doublers of the lower wing panels, which could result in failure of the wing structure, accomplish the following:

(a) Perform a visual inspection to detect cracking in the manhole doublers and around the screw holes of the lower wing panels, in accordance with Mitsubishi Nihon Aeroplane Manufacturing Company (NAMC) Service Bulletin 57–77, Revision 2, dated September 14, 1994, at the time specified in either paragraph (a)(1) or (a)(2) of this AD, as applicable. Repeat the inspection thereafter at intervals not to exceed 6,000 flight cycles.

(1) For airplanes that have accumulated fewer than 45,000 total flight cycles as of the effective date of this AD: Prior to the accumulation of 45,000 total flight cycles, or within 1 year after the effective date of this AD, whichever occurs later, perform the initial inspection.

(2) For airplanes that have accumulated 45,000 or more total flight cycles as of the effective date of this AD: Within 2,000 flight cycles or 1 year after the effective date of this AD, whichever occurs first, perform the initial inspection.

(b) Modify the screw holes in the manhole doublers of the lower wing panels, in accordance with Mitsubishi NAMC Service Bulletin 57–77, Revision 2, dated September 14, 1994, at the applicable time specified in either paragraph (b)(1) or (b)(2) of this AD. Thereafter, if any cracking is found, prior to further flight, repair the cracking in accordance with the service bulletin.

Note 2: Accomplishment of the modification specified in paragraph (b) does not constitute terminating action for the repetitive inspections of paragraph (a).

(1) If no cracking is found, prior to the accumulation of 60,000 total flight cycles, or within 1 year after the effective date of this AD, whichever occurs later, accomplish the modification in accordance with the service bulletin.

(2) If any cracking is found, prior to further flight, repair the cracking and accomplish the modification, in accordance with the service bulletin.

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

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Los Angeles ACO.

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

Note 4: The subject of this AD is addressed in Japanese airworthiness directive TCD–3795–2–96, dated December 13, 1996.

Issued in Renton, Washington, on July 1, 1998.

Stewart R. Miller,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–18156 Filed 7–8–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–NM–141–AD]

RIN 2120–AA64

Airworthiness Directives; Construcciones Aeronauticas, S.A. (CASA) Model C–212 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to all CASA Model C–212 series airplanes. This proposal would require repetitive visual inspections for damage or "electrical spark marks" on the cover plates for the fuel pumps, and corrective actions, if necessary. This proposal also would require modification of the fuel pump installation by incorporating a non-conductive film on the cover plate, which would constitute terminating action for this AD. This proposal is prompted by issuance of mandatory continuing airworthiness information by a foreign civil airworthiness authority. The actions specified by the proposed AD are intended to prevent electrical shorting between the fuel pump electrical connections and the fuel pump cover plate, which could result in the ignition of fuel vapor, and consequent fuel tank explosion/fire.

DATES: Comments must be received by August 10, 1998.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 98–NM–141–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9:00 a.m. and 3:00 p.m., Monday through Friday, except Federal holidays.

The service information referenced in the proposed rule may be obtained from Construcciones Aeronauticas, S.A., Getafe, Madrid, Spain. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington.

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

SUPPLEMENTARY INFORMATION:

Comments Invited

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

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

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket Number 98–NM–141–AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 98–NM–141–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056.

Discussion

The Dirección General de Aviación (DGAC), which is the airworthiness authority for Spain, notified the FAA that an unsafe condition may exist on all CASA Model C–212 series airplanes. The DGAC advises that an operator of this airplane model discovered "electrical spark marks" on several fuel pump cover plates, which indicated that electrical shorting was occurring. The main fuel pump cover plates had sustained the most damage, while the auxiliary fuel pump cover plates were only slightly damaged. The most severe damage involved the discoloration and deformation of the outer surface of the cover plate. Additionally, the isolated bushing for the positive screw was damaged, and "electrical spark marks" were also found between the positive screw and the fuel pump cartridge surface. Since other airplanes of this type design that are equipped with this particular pump and cover may be subject to such damage, an inspection of the affected area is warranted. Such electrical shorting between the fuel pump electrical connections and the fuel pump cover plate, if not corrected, could result in the ignition of fuel vapor, and consequent fuel tank explosion/fire.

Explanation of Relevant Service Information

The manufacturer has issued CASA Maintenance Instructions COM 212–252, Revision 0, dated July 15, 1996. This document describes procedures for repetitive visual inspections for damage or "electrical spark marks" on the cover plates for the fuel pumps, and corrective actions, if necessary. The corrective actions include inspections for overheating of wires, and for additional "electrical spark marks" between the positive screw terminal and the surrounding cartridge or pump face body; and modification of the cover plate to incorporate a non-conductive film. Such modification would eliminate the need for the repetitive inspections described previously. Accomplishment of the actions specified in the maintenance instructions is intended to adequately address the identified unsafe condition. The DGAC classified these maintenance instructions as mandatory and issued Spanish airworthiness directive 10/96, dated November 5, 1996, in order to assure the continued airworthiness of these airplanes in Spain.

FAA's Conclusions

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

Explanation of Requirements of Proposed Rule

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

in the maintenance instructions described previously, except as discussed below.

Differences Between Proposed Rule and Foreign AD

The proposed AD would differ from the parallel Spanish airworthiness directive in that the proposed AD would require the accomplishment of the terminating action for the repetitive inspections. The Spanish airworthiness directive provides for that action as optional.

Mandating the terminating action is based on the FAA's determination that long-term continued operational safety will be better assured by modifications or design changes to remove the source of the problem, rather than by repetitive inspections. The "electrical spark marks," which are the subject of the inspection required by the proposed AD, are indicative of previous electrical shorting, which in itself represents an immediate hazard because of the close proximity of fuel. Because the inspection technique does not allow detection of a discrepancy prior to the existence of an unsafe condition, repetitive inspections are not considered adequate for long-term continued operational safety.

Cost Impact

The FAA estimates that 38 airplanes of U.S. registry would be affected by this proposed AD.

It would take approximately 1 work hour per airplane to accomplish the proposed inspection, at an average labor rate of $60 per work hour. Based on these figures, the cost impact of the inspection proposed by this AD on U.S. operators is estimated to be $2,280, or $60 per airplane.

It would take approximately 5 work hours per airplane to accomplish the proposed modification, at an average labor rate of $60 per work hour. The cost of required parts would be minimal. Based on these figures, the cost impact of the modification proposed by this AD on U.S. operators is estimated to be $11,400, or $300 per airplane.

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

Regulatory Impact

The regulations proposed herein would not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

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

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

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

Construcciones Aeronauticas, S.A. (CASA): Docket 98–NM–141–AD.

Applicability: All Model C–212 series airplanes, certificated in any category.

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

Compliance: Required as indicated, unless accomplished previously.

To prevent electrical shorting between the fuel pump electrical connections and the fuel pump cover plate, which could result in the ignition of fuel vapor, and consequent fuel tank explosion/fire, accomplish the following:

(a) Within 100 flight hours after the effective date of this AD, perform a visual inspection for damage or "electrical spark marks" on the cover plates for the fuel pumps, in accordance with CASA Maintenance Instructions COM 212–252, Revision 0, dated July 15, 1996.

(1) If no damage or "electrical spark mark" is detected, repeat the visual inspection thereafter at intervals not to exceed 300 flight hours until the terminating action identified in paragraph (b) of this AD is accomplished.

(2) If any damage or "electrical spark mark" is detected on the cover plate, prior to further flight, inspect the wires for overheating damage and the positive screw terminal of the fuel pump for "electrical spark marks" between the positive screw terminal and the surrounding cartridge or the pump body face; replace any damaged wire with a new or serviceable wire, and accomplish paragraph (a)(2)(i) or (a)(2)(ii) of this AD, as applicable, in accordance with the maintenance instructions.

(i) If no "electrical spark mark" is detected between the positive screw terminal and the surrounding cartridge or pump body face, prior to further flight, modify the fuel pump installation by incorporating a non-conductive film on the cover plate. Accomplishment of this modification constitutes terminating action for the requirements of this AD.

(ii) If any "electrical spark mark" is detected between the positive screw terminal and the surrounding cartridge or the pump body face, prior to further flight, modify the fuel pump installation by installing a new fuel pump and incorporating a non-conductive film on the cover plate. Accomplishment of this modification constitutes terminating action for the requirements of this AD.

(b) Within 12 months after the effective date of this AD, inspect the wires for overheating damage and the positive screw terminal of the fuel pump for "electrical spark marks" between the positive screw terminal and the surrounding cartridge or the pump body face; replace any damaged wire with a new or serviceable wire, and accomplish paragraph (a)(2)(i) or (a)(2)(ii) of this AD, as applicable, in accordance with CASA Maintenance Instructions COM 212–252, Revision 0, dated July 15, 1996, even if no damage or "electrical spark mark" has been detected on the cover plate. Accomplishment of this modification constitutes terminating action for the requirements of this AD.

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

Inspector, who may add comments and then send it to the Manager, International Branch, ANM–116.

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

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

Note 3: The subject of this AD is addressed in Spanish airworthiness directive 10/96, dated November 5, 1996.

Issued in Renton, Washington, on July 1, 1998.

S. R. Miller,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 98–18155 Filed 7–8–98; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF THE TREASURY

31 CFR Part 103

RIN 1506–AA22

Financial Crimes Enforcement Network; Bank Secrecy Act Regulations; Suspicious Transaction Reporting by Casinos and Card Clubs; Open Working Meetings

AGENCY: Financial Crimes Enforcement Network, Treasury.

ACTION: Meetings on proposed regulations.

SUMMARY: The Financial Crimes Enforcement Network ("FinCEN") will hold four working meetings to give interested persons the opportunity to discuss with Treasury officials issues regarding proposed Bank Secrecy Act regulations relating to suspicious transaction reporting by casinos and card clubs.

DATES: Meeting 1: July 14, 1998 from 9:00 a.m. to 12:30 p.m., New Orleans, LA.

Meeting 2: July 23, 1998 from 9:00 a.m. to 12:30 p.m., Chicago, IL.

Meeting 3: August 6, 1998 from 9:00 a.m. to 12:30 p.m., Scottsdale, AZ.

Meeting 4: September 9, 1998 from 9:00 a.m. to 12:30 p.m., New York, NY.

ADDRESSES: Meeting 1: The Westin Canal Place, 100 Rue Iberville, New Orleans, LA 70130.

Meeting 2: Holiday Inn, Chicago City Centre, 300 East Ohio Street, Chicago, IL 60611.

Meeting 3: Scottsdale Hilton, 6333 North Scottsdale Road, Scottsdale, AZ 85250.

Meeting 4: New York Hilton and Towers, 1335 Avenue of the Americas, New York City, NY 10019.

FOR FURTHER INFORMATION CONTACT: About the proposed regulations: Len Senia, Senior Financial Enforcement Officer, FinCEN, at (703) 905–3931, or Cynthia Clark, Deputy Chief Counsel, FinCEN, at (703) 905–3758.

About meeting registration: Anna Fotias, Financial Crimes Policy Analyst, FinCEN, at (703) 905–3695.

SUPPLEMENTARY INFORMATION: On May 18, 1998, FinCEN issued proposed regulations (63 FR 27230) relating to suspicious transaction reporting by casinos and card clubs. The proposed regulations would require casinos and card clubs to report to the Treasury Department suspicious transactions involving at least $3,000 in funds or other assets, relevant to a possible violation of law or regulation. The proposed regulations would also require casinos and card clubs to establish procedures designed to detect occurrences or patterns of suspicious transactions and would make certain other changes to the requirements that casinos maintain Bank Secrecy Act compliance programs.

FinCEN is announcing today that it will hold four meetings to discuss issues relating to the proposed regulations. Although persons attending the meetings are encouraged to discuss any of their comments, concerns, or suggestions about the proposed regulations, FinCEN hopes that the meetings will include discussion of the following matters: (1) the $3,000 threshold for reporting suspicious transactions, (2) detecting suspicious transactions, (3) compliance program requirements for casinos and card clubs, and (4) specific areas in which additional guidance would be helpful.

The meetings are not intended as a substitute for FinCEN's request for written comments in the notice of proposed rulemaking published May 18, 1998. Rather, the meetings are intended to help make the comment process as productive as possible by providing a forum between the industry and FinCEN concerning issues relating to the proposed regulations. The meetings will be open to the public and will be recorded. A transcript of the meetings will be available for public inspection and copying. Accordingly, oral or written material not intended to be disclosed to the public should not be raised at the meetings.

Dated: July 2, 1998.

Stephen R. Kroll,

Federal Register Liaison Officer, Financial Crimes Enforcement Network.

[FR Doc. 98–18126 Filed 7–8–98; 8:45 am]

BILLING CODE 4820–03–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 300

[FRL–6121–9]

National Priorities List Update; Golden Strip Septic Tank Superfund Site

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of Intent to Delete the Golden Strip Septic Tank Superfund Site from the National Priorities List (NPL).

SUMMARY: The United States Environmental Protection Agency (US EPA), Region 4, announces its intent to delete the Golden Strip Septic Tank Superfund Site from the National Priorities List (NPL) and requests public comment on this proposed action. The NPL constitutes Appendix B of 40 CFR part 300 which is the National Oil and Hazardous Substances Pollution Contingency Plan (NCP), which EPA promulgated pursuant to Section 105 of the Comprehensive Environment Response, Compensation, and Liability Act (CERCLA) of 1980, as amended. EPA and the State of South Carolina Department of Health and Environmental Control (SCDHEC) have determined that all remedial action objectives have been met and the Site poses no significant threat to public health or the environment. Therefore, further remedial measures are not appropriate.

DATES: Comments concerning this Site may be submitted on or before August 10, 1998.

ADDRESSES: Comments may be mailed to: Craig Zeller, P.E., Waste Management Division—North Site Management Branch, U. S. Environmental Protection Agency, Region 4, 61 Forsyth St., SW, Atlanta, GA, 30303. You may also submit comments electronically, at the following Email Address, Zeller.Craig@EPAMail.EPA.gov.

Comprehensive information on this Site is available through the public docket, which is available for viewing at the Golden Strip Septic Tank Site information repositories at the following locations:

Hendricks Branch Library, 626 N.E. Main Street, Simpsonville, SC 29681, (864) 963–9031.
U.S. EPA, Region 4, 61 Forsyth St., SW, Atlanta, GA, 30303, Mrs. Debbie Jourdan, 404–562–8862.

FOR FURTHER INFORMATION CONTACT: Craig Zeller, P.E. (404) 562–8827, or Cynthia Peurifoy (404) 562–8798, or toll free at 1–800–435–9233, at U.S. EPA, Region 4, 61 Forsyth St., SW, Atlanta, GA 30303.

SUPPLEMENTARY INFORMATION:

I. Introduction

The Environmental Protection Agency (EPA), Region 4 announces its intent to delete the Golden Strip Septic Tank Site at Simpsonville, South Carolina, from the National Priorities List (NPL), Appendix B of the National Oil and Hazardous Substances Pollution Contingency Plan (NCP) 40 CFR part 300, and requests comments on this deletion proposal. EPA identifies sites that appear to present a significant risk to public health, welfare, or the environment and maintains the NPL as the list of these sites. As described in § 300.425(e)(3) of the NCP, sites deleted from the NPL remain eligible for remedial actions in the unlikely event that conditions at the site warrant such actions.

The EPA will accept comments on the proposal to delete this Site for thirty days after publication of this notice in the **Federal Register**.

Section II of this notice explains the criteria for deleting sites from the NPL. Section III discusses the procedures that EPA is using for this action. Section IV discusses the Golden Strip Septic Tank Site and explains how the Site meets the deletion criteria.

II. NPL Deletion Criteria

Section 300.425(e) of the NCP provides that sites may be deleted from, or recategorized on the NPL where no further response is appropriate. In making a determination to delete a site from the NPL, EPA shall consider, in consultation with the State, whether any of the following criteria have been met:

(i) Responsible parties or other parties have implemented all appropriate response actions required;

(ii) All appropriate response actions under CERCLA have been implemented, and no further response action by responsible parties is appropriate; or

(iii) The remedial investigation has shown that the release poses no significant threat to public health or the environment and, therefore, taking of remedial measures is not appropriate.

Even if a site is deleted from the NPL, where hazardous substances, pollutants, or contaminants remain at the site above levels that allow for unlimited use and unrestricted exposure, EPA's policy is that a subsequent review of the site will be conducted at least every five years after the initiation of the remedial action at the site to ensure that the site remains protective of public health and the environment.

III. Deletion Procedures

The following procedures were used for the intended deletion of this Site: (1) EPA Region 4 has recommended deletion and has prepared the relevant documents; (2) The South Carolina Department of Health and Environmental Control (SCDHEC) has concurred with the proposed deletion decision; (3) Concurrent with this Notice of Intent to Delete, a notice has been published in the local newspaper and has been distributed to appropriate federal, state, and local officials and other interested parties announcing the commencement of a 30-day public comment period on the Notice of Intent to Delete; and (4) All relevant documents have been made available for public review in the local information repository and in the Regional Office.

Deletion of a site from the NPL does not itself create, alter, or revoke any individual's rights or obligations. The NPL is designed primarily for information purposes and to assist EPA management. As mentioned in Section II of this Notice, Section 300.425(e)(3) of the NCP states that deletion of a site from the NPL does not preclude eligibility for future response actions.

For deletion of this Site, EPA will accept and evaluate public comments on this Notice of Intent to Delete before making the final decision to delete. If necessary, the Agency will prepare a Responsiveness Summary to address any significant public comments received during the comment period.

The deletion occurs when the Regional Administrator places the final notice on the **Federal Register**. Generally, the NPL will reflect deletions in the final update following the Notice. Public notices and copies of the Responsiveness Summary will be made available to local residents by Region 4.

IV. Basis for Intended Deletion

The following Site summary provides the Agency's rationale for the proposal to delete this Site from the NPL.

A. Background

The GSST Site is located on a 55-acre parcel near Simpsonville, South Carolina. The Site is situated in a semi-rural area on a portion of a farm owned by Mrs. Lucille Rice, and is surrounded by the Holly Tree residential subdivision on the east, west and north sides. Primary access to the site is off Adams Mill Road which borders the site to the south. The Carrington Green subdivision is located across Adams Mill Road along the Site's southernmost boundary.

B. History

From 1960 through 1975, Mr. Buck Rice (now deceased) operated a septic tank hauling and disposal service from the GSST Site. During this period of active operation, industrial and septic wastes were discharged into five unlined wastewater lagoons located on Site. The total capacity of these five lagoons has been calculated at nearly 2.8 million gallons. Waste hauling and disposal activities at the GSST Site were reportedly discontinued in 1975. By 1978, three of the five lagoons (2, 3 and 5) were backfilled by pushing in the side walls of each unit and covering the sludge.

Preliminary investigations of the Site conducted by SCDHEC and EPA confirmed the presence of inorganic constituents such as cadmium, chromium, copper, lead and cyanide in the lagoon water and sludge. In June 1987, EPA placed the GSST Site on the National Priorities List (NPL).

C. Characterization of Risk

A group of responsible parties, known as the Golden Strip Task Group (GSTG), conducted the RI/FS under an Administrative Order by Consent (AOC) with EPA. RMT, Inc., on behalf of the Task Group, conducted the RI field work from September 1989 to March 1991, under EPA and SCDHEC oversight. Lagoon sludges and soils in close proximity to the lagoons were found to be impacted with inorganic constituents. Specifically, maximum concentrations detected in soil and sludge were 12,000 mg/kg cadmium, 97,200 mg/kg chromium, 69,900 mg/kg copper, 4,520 mg/kg cyanide, 5,290 mg/kg lead and 77,600 mg/kg zinc. Toxicity Characteristic Leaching Procedure (TCLP) analyses of lagoon sludge and affected soil demonstrated hazardous characteristics for cadmium. An estimated 1.9 million gallons of water was impounded in Lagoons 1 and 4 and this surface water was found to contain elevated levels of similar inorganic constituents. Three rounds of groundwater sampling indicated that groundwater quality had been affected to a limited extent in the immediate vicinity of the lagoons, but a discernible plume of groundwater contamination was not identified.

The Baseline Risk Assessment (BRA) concluded that the principal threat to human health posed by this site was exposure to impacted soils and sludges. A residential future-use scenario was utilized in the BRA to develop remedial action target concentrations (RATCs) for impacted soils/sludges. Site specific RATCs were calculated for each Constituent of Concern (COC) identified in the BRA. Data generated during the RI estimated that 28,000 cubic yards of soil/sludge exceeded the applicable RATCs. A Feasibility Study (FS) was performed to evaluate feasible remedial alternatives to address all soil/sludge above applicable RATCs, surface water impounded in Lagoons 1 and 4, and site groundwater.

On September 12, 1991, the Regional Administrator signed a Record of Decision (ROD), which selected a remedy for the GSST Site that was protective of human health and the environment. The major components of the selected remedy included:

- Excavation of all soil/sludge above applicable RATCs and treatment by solidification/stabilization to remove hazardous characteristics. Backfilling of treated material into on-site excavations within defined Area of Contamination (AOC);
- Establishment of Alternative Concentration Limits (ACLs) for on-site groundwater combined with a long-term monitoring program to monitor the effects of source control on the groundwater;
- Discharge of surface waters impounded in Lagoons 1 and 4 to Publicly Owned Treatment Works (POTW); and
- Establishment of Conservation Easement to control future use of property.

Active groundwater remediation in the vicinity of the lagoons was not determined reasonable or technically practicable using the decision criteria for ACLs specified in Section 121 of CERCLA. Generally, these include: (1) there is no discernible plume; (2) there are known or projected points of entry of site groundwater into surface water; (3) there is no statistically significant increase in waste constituents in the groundwater or in the surface water at the point of entry; (4) the selected remedy includes source control measures that are expected to have a positive influence on groundwater; and (5) the selected remedy includes enforceable measures that will preclude human exposure to groundwater.

D. Implementation of the Selected Remedy

In April 1992, the GSTG entered into a Consent Decree with EPA for implementation of the selected remedy. RMT, Inc. was selected by the task group to perform the necessary Remedial Design and Remedial Action activities required for successful remedy implementation and completion. Extensive treatability studies were conducted to identify cost-effective solidification/stabilization additives that could meet the established leaching and compressive strength performance criteria. It was determined that 30 percent Type I/II Portland cement (based on the dry weight of the soil/sludge matrix) could effectively stabilize and solidify the Site COCs.

The conservation easement, which placed certain restrictions on future site development and usage of the groundwater underlying the site, was filed in Greenville County R.M.C. on January 12, 1994 by Mr. Robert E. Dryden, on behalf of the task group. EPA and SCDHEC granted final approval of the Remedial Design documents and Performance Standards Verification Plan in February 1994. The Remedial Action Work Plan was accepted as Final by EPA and SCDHEC in July 1994. Heritage Environmental Services was selected as the Remedial Action contractor in June 1994 and began initial mobilization to the site on July 6, 1994.

The remedy was initiated in August 1994 by pre-treatment and discharge of the water from Lagoons 1 and 4 to the local sewer. The sludge in each lagoon was then stabilized with affected soil and cement kiln dust. The stabilized sludge and affected soil were then excavated and temporarily staged. Several pilot scale field demonstrations were conducted on the soil/sludge treatment system to evaluate scale-up effectiveness and to implement refinements, where necessary. Heritage Environmental Services demobilized in September 1994, while a supplemental sampling and analysis program was conducted to develop detailed excavation plans.

Screening sampling and analysis, confirmational sampling and analysis, and geostatistical modeling were employed to develop detailed excavation plans for the affected soils and to confirm that the affected soil and sludge had been removed. Heritage remobilized to the site in April 1995 and made several modifications to the pug-mill treatment system. In May 1995, full scale excavation began in Lagoon 1 and proceeded to Lagoon 5. These areas were excavated first so that the final landfill footprint could be excavated, prepared, and confirmed clean prior to the placement of treated soil/sludge. In August 1995, EPA and SCDHEC confirmed achievement of all excavation performance standards in this area and granted approval to proceed with placement of treated material.

Following a final treatment system demonstration, full-scale treatment of affected soils and sludges and further excavation activities proceeded concurrently. Once affected soils were removed, they were fed into a pug mill where they were blended with 30 percent Type I/II Portland cement and water to produce a soil-cement material. This soil-cement material was then taken to the on-site landfill, spread in 1-foot lifts, and compacted. The compacted soil-cement quickly hardened with a compressive strength of greater than 250 psi. This finished landfill was capped with more than 30 inches of soil and a vegetative cover was re-established. An approximated total of 57,000 cubic yards of soil-cement was placed into the on-site landfill cell.

On April 25, 1996, a Pre-Final Inspection was held on-site to verify that all punch list items had been completed. A detailed site walk revealed that all substantive items had been completed with the exception of establishing a vegetative cover and submittal of as-built drawings. The Remedial Action Report was submitted by RMT in June 1996 and approved by the EPA's North Site Management Branch Chief on July 12, 1996. The Final Close Out Report, which documented that the remedial action was successfully completed, was completed by EPA in September 1996.

The GSST Site meets all the site completion and close out procedures for NPL Sites as specified in OSWER Directive 9320.2–09, *Close Out Procedures for National Priorities List Sites (EPA/540/R–95/062, August 1995).* Specifically, excavation verification sampling confirms that all soil above RATCs has been removed, treatment verification sampling confirms that the solidified soil-cement matrix meets leachate and compressive strength performance standards, and that all cleanup actions specified in the ROD have been implemented. Confirmatory stream sampling, groundwater sampling, and a clean cap with vegetative cover provide further assurance that the site no longer poses any risks to human health and/or the environment. The only remaining activity to be performed is O&M which will be conducted by an assigned

representative of the Golden Strip Task Group.

E. Operation and Maintenance

Post-closure activities at the GSST Site will be conducted by the GSTG's assigned representative following the guidelines contained in the EPA/SCDHEC approved Operation and Maintenance (O&M) Plan. Those O&M activities address a 30-year post-closure care monitoring period as specified by the ROD. These post-closure care activities include the following:

- Periodic inspections to verify the integrity of the cap, cover and security;
- Ongoing landscape maintenance to keep the integrity of the landfill cap intact;
- Periodic stream and groundwater monitoring to verify the performance of the remedy; and
- Submission of O&M evaluation reports to EPA/SCDHEC containing observations and any corrective actions taken to address issues of concern.

The surficial aquifer underlying the GSST Site has been monitored via sampling and analysis of 22 monitoring wells since 1989. Water quality and sediments of an unnamed stream passing through the site have also been monitored. Since only intermittent exceedances of drinking water standards were observed during the RI/FS, EPA and SCDHEC established ACLs for the site groundwater. During the Site Remedial Action, these ACLs have not been required, as groundwater quality has consistently remained below federally established drinking water levels (Maximum Contaminant Levels). Stream monitoring results continue to verify that the water quality or sediments have not been affected by past waste disposal activities.

F. Five-Year Review

Semi-annual groundwater and stream monitoring will continue up to the 5-year review which shall be conducted by July 1999. EPA and SCDHEC will evaluate the scope of future monitoring requirements at the completion of the five-year review.

One of the three criteria for deletion specifies that EPA may delete a site from the NPL if the responsible parties or other parties have implemented all appropriate response actions required. EPA, with the concurrence of SCDHEC, contends this criterion has been met. Subsequently, EPA is proposing deletion of this Site from the NPL. Documents supporting this action are available from the public docket.

Dated: June 22, 1998.

A. Stanley Meiburg,

Deputy Regional Administrator, U.S. EPA Region 4.

[FR Doc. 98–18083 Filed 7–8–98; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL MARITIME COMMISSION

46 CFR Part 514

[Docket No. 98–10]

Inquiry Into Automated Tariff Filing Systems as Proposed by the Pending Ocean Shipping Reform Act of 1998

AGENCY: Federal Maritime Commission.

ACTION: Notice of Inquiry.

SUMMARY: The purposes of this Inquiry are to determine an approach that will produce automated tariff publication systems that best comport with the directives of S. 414, the Ocean Shipping Reform Act of 1998, and its legislative history, and to determine whether ocean common carriers should be required to file service contracts electronically. The proposed legislation would alter, among other things, the manner by which ocean common carriers publish their tariffs under the Shipping Act of 1984, 46 U.S.C. app. § 1701 *et seq.*, by requiring them to publish their tariffs in private automated tariff systems. Comments are solicited on the possible requirements for such tariff filing systems and on the electronic filing of service contracts and publication of essential terms.

DATES: Comments due on or before August 10, 1998.

ADDRESSES: Send comments (original and 20 copies) to: Joseph C. Polking, Secretary, Federal Maritime Commission, 800 North Capitol Street, NW, Washington, DC 20573–0001, (202) 523–5725.

FOR FURTHER INFORMATION CONTACT: Bryant L. VanBrakle, Director, Bureau of Tariffs, Certification and Licensing, Federal Maritime Commission, 800 North Capitol Street, NW, Washington, DC 20573–0001, (202) 523–5796 and Thomas Panebianco, General Counsel, Federal Maritime Commission, 800 North Capitol Street, NW, Washington, DC 20573–0001, (202) 523–5740.

SUPPLEMENTARY INFORMATION: On April 21, 1998, the Senate passed S. 414, a bill entitled the "Ocean Shipping Reform Act of 1998" ("Reform Act"). The bill was subsequently referred to the House of Representatives, where it is presently awaiting either referral to appropriate committees or a vote by the full House. If the latter occurs prior to adjournment in the fall, the Federal Maritime Commission ("FMC" or "Commission") will have the task of proposing and adopting rules to implement the Reform Act in a very short time period, since the Reform Act generally takes effect on May 1, 1999, and the bill requires final implementing regulations to be promulgated by March 1, 1999.

The Reform Act amends the Shipping Act of 1984 (46 U.S.C. app. § 1701 *et seq.*) ("1984 Act") in several areas, altering the manner by which the United States regulates international ocean shipping. One of the most significant changes is in the treatment of common carrier tariffs, the publications which contain the rates and charges for their transportation services. Currently, common carriers and conferences must file their tariffs with the commission's Automated Tariff Filing and Information System ("ATFI"). Under the Reform Act, carriers no longer will have to file with the Commission, but will be required to publish their rates in private, automated tariff systems. These tariffs will have to be made available electronically to any person, without time, quantity, or other limitation, through appropriate access from remote locations, and a reasonable charge may be assessed for such access, except for Federal agencies. In addition, the Commission is charged with prescribing the requirements for the "accessibility and accuracy" of these automated tariff systems, unlike the "form and manner" requirements under the current law. The Commission also can prohibit the use of such systems, if they fail to meet the requirements it establishes.

It is against this background that the Commission is initiating this inquiry to solicit comments from the ocean transportation industry and the general public on how best to establish requirements for carriers' automated tariff systems. Such comments should assist the Commission in formulating and proposing a rule in this area in the event that the House passes S. 414 and it is signed into law by the President.

The primary function of the publication of tariffs is to provide the shipping public with reliable information on the price and service options to move particular commodities from point A to point B. This information would necessarily include all applicable assesorials, additional charges, and surcharges, so that the shipper can obtain a "bottom-line" price for the service it seeks. Consistent with the Reform Act's common carriage principles, shippers should be able to use this information to compare competing carriers' offerings and to assess whether they are being

unreasonably discriminated against vis-a-vis their competitors. In addition, public tariff information enables carriers to monitor their competitors and adjust their pricing and service structures accordingly.

A perhaps no less important function of tariff publication is to permit the Commission to monitor the rate activity of carriers and conferences. In light of the fact that the Reform Act would continue to grant antitrust immunity for collective ratemaking, the ability to monitor collectively-established rates remains particularly important. The Commission also needs to be able to monitor carrier rate activity to ensure that the prohibited acts in section 10 of the Reform Act are not violated. In this regard, the Commission will always need a historical record of rate activity, perhaps commensurate with the five year statute of limitations in the Reform Act. In addition, the ability to monitor the rate activity of controlled carriers is crucial to the Commission's enforcement of the controlled carrier provisions of the Reform Act.

The problem facing the Commission and the industry is how to reconcile these basic purposes of tariff publication with the relative discretion Congress would grant carriers to develop their own automated tariff systems. The report of the Senate Committee on Commerce, Science, and Transportation, S. Rep. No. 61, 105th Cong., 1st Sess. (1997) ("Committee Report"), is instructive in this regard. The Committee noted that innovative private sector approaches, such as World Wide Web pages, should be encouraged, stating that common carriers should be free to develop their own means of tariff publication. Committee Report at 23. Although the Committee reiterated that there should be no government restraints on the design of a private tariff publication system, it also stated that such systems must assure the integrity of the common carrier's tariff and of the tariff system as a whole and provide the appropriate level of public access to tariff information. *Id.* The Committee also stated that tariff information should be "simplified and standardized." *Id.* The Committee further noted that the Commission will retain its authority to suspend or prohibit the use of tariffs found to violate the 1984 Act or other U.S. shipping laws. *Id.* at 22–23.

As a point of reference, because ATFI uses uniform transaction sets for tariff material,[1] it presents tariff information uniformly, and substantive tariff provisions are located identically within each carrier's tariff. In addition, carriers are required to provide electronic links within each tariff so that shippers can calculate a bottom-line freight charge. Under ATFI, the Commission also validates, among other things, specific ports and points listed to ensure industry-wide uniformity and requires that equipment descriptions be standardized.

The question thus becomes how to meld the various Congressional directives in the Reform Act and its legislative history to produce tariff publication requirements that fully comport with the letter and the spirit of the Reform Act. The Commission, therefore, is seeking public comment on how best to achieve this goal. Commenters should feel free to address any aspect of automated systems relevant to this inquiry. However, we have proposed some questions that may focus discussion in the proper direction:

1. What are the best methods for standardizing tariff information?

2. Should tariffs contain uniform rate/commodity/geographic scope searching mechanisms?

3. Describe any available options for standardizing commodity descriptions.

4. How can we ensure that the systems produce accurate bottom-line freight charges for shippers?

5. Should carriers be required to use uniform transaction sets (such as ATFI transaction sets) for the transmission of information in automated tariff systems?

6. How long should systems be required to maintain historical tariff information?

7. Describe how tariff systems can automatically block the publication of unlawful rate actions (*e.g.*, an increased cost to the shipper published to become effective less than 30 calendar days after publication; changes in a controlled carrier's tariff published to become effective less than 30 days after publication)?

8. How can the systems give the Commission the ability to void tariff material that contravenes the statute or its regulations?

9. How should tariff systems be structured to handle carrier requests for Commission approval of deviations from its rules, including increased costs to shippers to become effective less than 30 days after publication?

10. How can the Commission meet its responsibilities efficiently under sections 5, 6, 9 and 10 of the Act if faced with nonuniform tariff systems?

11. Could tariff systems be designed so that the Commission could access certain functionalities that might not otherwise be available to the general public (*e.g.*, to generate ad hoc and recurring reports, facilitate tariff review, and examines tariff's history)?

12. Could tariff systems be designed to automatically inform the Commission when an amendment is made?

13. How can tariff systems be designed to facilitate the Commission's suspension or prohibition of the use of tariffs or tariff material found to violate the 1984 Act or other U.S. shipping laws?

14. What standards should the Commission apply to measure the accuracy and accessibility of a carrier's automated tariff publication system?

15. How can tariffs be simplified?

In a related matter, the Reform Act directs carriers to file their service contracts with the Commission on a confidential basis. The Reform Act does not specify that these filings be done electronically. Service contracts under the 1984 Act are currently filed in paper form. In FY 1997 the Commission received 10,500 new contracts and nearly 29,000 amendments. This compares with 9,400 contracts and 19,500 amendments in FY 1996. By all indications, the number of service contract filings will continue to increase significantly, particularly under a statutory scheme providing greater confidentiality in contract terms. Accordingly, the Commission also is seeking comments in this inquiry regarding the electronic filing of service contracts with the Commission. Electronically filed service contracts, unlike the publicly available essential terms, would be available only to the Commission and its staff. Commenters favoring electronic filing may suggest possible approaches for implementing such filing, including issues regarding digitized signatures and text versus data format. Commenters are also requested to address the issues as they relate to the publication of certain essential terms in tariff format in private automated systems.

Now therefore, It is ordered that this Notice of Inquiry be published in the **Federal Register**.

By the Commission.

Ronald D. Murphy,

Assistant Secretary.

[FR Doc. 98–18160 Filed 7–8–98; 8:45 am]

BILLING CODE 6730–01–M

[1] ATFI's transaction sets prescribe specific requirements as to the data dictionary, field size, syntax, data elements, mandatory and optional fields, format, and segment definitions.

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 73

[MM Docket No. 98–105; RM–9295]

Radio Broadcasting Services; Madison, IN

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document requests comments on a petition for rule making filed on behalf of Madison Broadcasting Company, seeking the allotment of Channel 266A to Madison, Indiana, as that community's second local FM transmission service. Coordinates used for this proposal are 38–49–15 and 85–18–46.

DATES: Comments must be filed on or before August 24, 1998, and reply comments on or before September 8, 1998.

ADDRESSES: Secretary, Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioner's counsel, as follows: Mark N. Lipp, Esq., Shook, Hardy & Bacon, 801 Pennsylvania Avenue, NW., Suite 600, Washington, DC 20004.

FOR FURTHER INFORMATION CONTACT: Nancy Joyner, Mass Media Bureau, (202) 418–2180.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Commission's Notice of Proposed Rule Making, MM Docket No. 98–105, adopted June 24, 1998, and released July 2, 1998. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC's Reference Center (Room 239), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractor, International Transcription Service, Inc., 1231 20th Street, NW., Washington, DC 20036, (202) 857–3800.

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* contacts.

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.

John A. Karousos,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 98–18236 Filed 7–8–98; 8:45 am]

BILLING CODE 6712–01–M

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 73

[MM Docket No. 98–106, RM–9277]

Radio Broadcasting Services; Missoula, MT

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document requests comments on a petition filed by Dale A. Ganske d/b/a L. Topaz Enterprises, Inc. proposing the allotment of Channel 290A to Missoula, Montana, as that community's fifth FM broadcast service. The channel can be allotted to Missoula without a site restriction at coordinates 46–51–42 and 114–00–30. Canadian concurrence will be requested for this allotment.

DATES: Comments must be filed on or before August 24, 1998, and reply comments on or before September 8, 1998.

ADDRESSES: Federal Communications Commission, Washington, DC. 20554. In addition to filing comments with the FCC, interested parties should serve the petitioner, as follows: Dale A. Ganske, President, L. Topaz Enterprises, Inc., 5546–3 Century Ave., Middleton, Wisconsin 53562.

FOR FURTHER INFORMATION CONTACT: Kathleen Scheuerle, Mass Media Bureau, (202) 418–2180.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 98–106, adopted June 24, 1998, and released July 2, 1998. The full text of this Commission decision is available for inspection and copying during normal business hours in the Commission's Reference Center (Room 239), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Services, Inc., 1231 20th Street, NW., Washington, DC. 20036, (202) 857–3800, facsimile (202) 857–3805.

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.

John A. Karousos,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 98–18235 Filed 7–8–98; 8:45 am]

BILLING CODE 6712–01–P

Notices

Federal Register
Vol. 63, No. 131
Thursday, July 9, 1998

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

Cotton Storage Agreement Fees

AGENCY: Commodity Credit Corporation, USDA.

ACTION: Notice of fees.

SUMMARY: The purpose of this notice is to publish a schedule of fees to be paid to Commodity Credit Corporation (CCC) by cotton warehouse operators requesting to enter into a storage agreement or adjusting the capacity of an existing storage agreement.

EFFECTIVE DATE: July 1, 1998.

FOR FURTHER INFORMATION CONTACT: Howard Froehlich, Chief, Storage Contract Branch, Warehouse and Inventory Division, Farm Service Agency, United States Department of Agriculture, 1400 Independence Avenue, SW., STOP 0553, Washington, D.C. 20250–0553, telephone (202) 720–7398, FAX (202) 690–3123.

SUPPLEMENTARY INFORMATION:

Background

In accordance with the provisions of the Commodity Credit Corporation Charter Act (15 U.S.C. 714 *et seq.*), CCC enters into storage agreements with private cotton warehouse operators to provide for the storage of commodities owned by CCC or pledged as security to CCC for marketing assistance and price support loans.

Specifically, 7 CFR part 1427.1087 provides that all cotton warehouse operators who do not have an existing agreement with CCC for storage and handling of CCC-owned commodities or commodities pledged to CCC as loan collateral, but who desire such an agreement, must pay an application and examination fee for each warehouse for which CCC approval is sought prior to CCC conducting the original warehouse examination.

A review of the revenue collected for application and examination fees indicates that the fees collected are insufficient to meet costs incurred by CCC for warehouse examinations and contract origination administrative functions. Accordingly, beginning with the 1998–99 contract year, the fees are changed by increasing by 10 percent those fees that were applicable to the 1997–98 contract year. The fee change will be effective July 1, the beginning of the 1998–99 contract year.

The fee will be computed at the rate of $75 for each 1,000 bales of storage capacity or fraction thereof, but the fee will be not less than $150 nor more than $1,500.

Signed at Washington, DC, on July 2, 1998.

Bruce R. Weber,

Acting Executive Vice President, Commodity Credit Corporation.

[FR Doc. 98–18270 Filed 7–8–98; 8:45 am]
BILLING CODE 3410–05–P

DEPARTMENT OF AGRICULTURE

Forest Service

Revised Land and Resource Management Plans, Boise National Forest and Payette National Forest, Idaho; Significant Amendment Land and Resource Management Plan, Sawtooth National Forest, ID

AGENCY: Forest Service, USDA.

ACTION: Supplement to notice of intent to prepare an Environmental Impact Statement in conjunction with revision of the Land and Resource Management Plans for the Boise and Payette National Forests, and significant amendment to the Land and Resource Management Plan for the Sawtooth National Forest located in Ada, Adams, Blaine, Boise, Camas, Canyon, Cassia, Custer, Elmore, Gem, Gooding, Idaho, Jerome, Lincoln, Minidoka, Owyhee, Payette, Twin Falls, Valley and Washington Counties, Idaho; Box Elder Country, Utah, and Malheur County, Oregon.

SUPPLEMENT: On June 29, 1998, Regional Forester Jack Blackwell made a decision to extend the comment period on the proposed programmatic action for the Revision of the Forest Plans for the Boise and Payette National Forests and the Significant Amendment of the Forest Plan for the Sawtooth National Forest. As defined in the **Federal Register**, Vol. 63, No. 79, dated Friday, April 24, 1998, the original comment period ended on June 25, 1998. In response to public requests, the comment period has been extended an additional 60 days and will now close on August 25, 1998.

For further information concerning this project, contact Jeff Foss, Boise National Forest Planner at 1249 South Vinnell Way, Boise, Idaho, 83709; Faye Krueger, Payette National Forest Planner at P.O. Box 1026, McCall, Idaho, 83638; or Sharon LaBrecque, Sawtooth National Forest Planner at 2647 Kimberly Road, Twin Falls, Idaho, 83301.

Comments concerning this project should be sent to Joey Pearson, Administrative Assistant, Payette National Forest, P.O. Box 1026, McCall, Idaho, 83638.

Dated: July 1, 1998.

Christopher L. Pyron,

Deputy Regional Forester, Administration.

[FR Doc. 98–18196 Filed 7–8–98; 8:45 am]
BILLING CODE 3410–11–M

DEPARTMENT OF AGRICULTURE

National Agricultural Statistics Service

Intent To Request an Extension of a Currently Approved Information Collection

AGENCY: National Agricultural Statistics Service, USDA.

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (Pub. L. No. 104–13) and Office of Management and Budget (OMB) regulations at 5 CFR Part 1320 (60 FR 44978, August 29, 1995), this notice announces the intent of the National Agricultural Statistics Service (NASS) to request an extension of a currently approved information collection, the Equine Survey.

DATES: Comments on this notice must be received by September 14, 1998 to be assured of consideration.

ADDITIONAL INFORMATION OR COMMENTS: Contact Rich Allen, Associate Administrator, National Agricultural Statistics Service, U.S. Department of Agriculture, 1400 Independence Avenue SW, Room 4117 South Building

Washington, D.C. 20250–2000, (202) 720–4333.

SUPPLEMENTARY INFORMATION:

Title: Equine Survey.

OMB Number: 0535–0227.

Expiration Date of Approval: December 31, 1998.

Type of Request: Extension of a currently approved Information Collection.

Abstract: To improve information regarding the equine industry, several State Departments of Agriculture are expected to contract with the NASS to conduct an Equine Survey in their state within the next 3 years. Equine activities offer unusually varied opportunities for rural development. In addition to providing the livelihood for breeders, trainers, veterinarians, and many others, the horse remains important to recreation. Equine survey data will quantify the importance of the industry in the state. The number of operations, number of animals, and economic information will provide a focus on the importance of the equine industry to state economies. Income data provides a view of the benefits that the industry provides to the state economy and a ranking in terms of its relative importance within both the agricultural sector and the state's total economic sector. The expenditure information provides data regarding the multiplier effect of money from the equine industry, effects of wage rates paid to both permanent and part-time employees, and secondary businesses supported by the industry. The Equine Survey has approval from OMB for a 2 year period. NASS intends to request that the survey be approved for another 3 years. This data will be collected under the authority of 7 U.S.C. 2204(a). Individually identifiable data collected under this authority is governed by Section 1770 of the Food Security Act of 1985, 7 U.S.C. 2276, which requires USDA to afford strict confidentiality to non-aggregated data provided by respondents.

Estimate of Burden: Public reporting burden for this collection of information is estimated to average 35 minutes per response.

Respondents: Horse owners, breeders, trainers, boarders.

Estimated Number of Respondents: 58,000.

Estimated Total Annual Burden on Respondents: 33,800 hours.

Copies of this information collection and related instructions can be obtained without charge from Larry Gambrell, the Agency OMB Clearance Officer, at (202) 720–5778.

Comments

Comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, other technological collection techniques, or other forms of information technology. Comments may be sent to: Larry Gambrell, Agency OMB Clearance Officer, U.S. Department of Agriculture, 1400 Independence Avenue SW, Room 4162 South Building, Washington, D.C. 20250–2000.

All responses to this notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

Signed at Washington, D.C., June 25, 1998.

Rich Allen,

Associate Administrator, National Agricultural Statistics Service.

[FR Doc. 98–18269 Filed 7–8–98; 8:45 am]

BILLING CODE 3410–20–P

COMMISSION ON CIVIL RIGHTS

Agenda and Notice of Public Meeting of the Georgia Advisory Committee

Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights, that a meeting of the Georgia Advisory Committee to the Commission will convene at 9:00 a.m. and adjourn at 1:00 p.m. on July 27. 1998, at the Sam Nunn Atlanta Federal Center, 61 Forsyth Street SW, Dining Room A, Atlanta, Georgia 30303. The purpose of the meeting is to discuss civil rights progress and/or problems and to plan for a symposium on "The Status of Civil Rights in Georgia."

Persons desiring additional information, or planning a presentation to the Committee, should contact Bobby D. Doctor, Director of the Southern Regional Office, 404–562–7000 (TDD 404–562–7004). Hearing-impaired persons who will attend the meeting and require the services of a sign language interpreter should contact the Regional Office at least ten (10) working days before the scheduled date of the meeting.

The meeting will be conducted pursuant to the provisions of the rules and regulations of the Commission.

Dated at Washington, DC, June 26, 1998.

Carol-Lee Hurley,

Chief, Regional Programs Coordination Unit.

[FR Doc. 98–18261 Filed 7–8–98; 8:45 am]

BILLING CODE 6335–01–P

COMMISSION ON CIVIL RIGHTS

Agenda and Notice of Public Meeting of the Oregon Advisory Committee

Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights, that a meeting of the Oregon Advisory Committee to the Commission will convene at 10:00 a.m. and adjourn at 4:00 p.m. on July 24, 1998, at the Double Tree Inn, Columbia River, 1401 North Hayden Island Drive, Portland, OR 97217. The purpose of the meeting is to plan a future project.

Persons desiring additional information, or planning a presentation to the Committee, should contact Philip Montez, Director of the Western Regional Office, 213–894–3437 (TDD 213–894–3435). Hearing-impaired persons who will attend the meeting and require the services of a sign language interpreter should contact the Regional Office at least ten (10) working days before the scheduled date of the meeting.

The meeting will be conducted pursuant to the provisions of the rules and regulations of the Commission.

Dated at Washington, DC, July 1, 1998.

Carol-Lee Hurley,

Chief, Regional Programs Coordination Unit.

[FR Doc. 98–18257 Filed 7–8–98; 8:45 am]

BILLING CODE 6335–01–P

DEPARTMENT OF COMMERCE

International Trade Administration

North American Free-Trade Agreement, Article 1904 NAFTA Panel Reviews; Request for Panel Review

AGENCY: NAFTA Secretariat, United States Section, International Trade Administration, Department of Commerce.

ACTION: Notice of First Request for Panel Review.

SUMMARY: On June 5, 1998, the Director of Investigation and Research, Competition Bureau, Industry Canada filed a First Request for Panel Review

with the Canadian Section of the NAFTA Secretariat pursuant to Article 1904 of the North American Free-Trade Agreement. Panel review was requested of the final material injury determination made by the Canadian International Trade Tribunal, respecting Certain Prepared Baby Foods Originating In or Exported from the United States of America. This determination was published in the *Canada Gazette* 1998.I.1062, on May 9, 1998. The NAFTA Secretariat has assigned Case Number CDA–USA–98–1904–01 to this request.

FOR FURTHER INFORMATION CONTACT: James R. Holbein, United States Secretary, NAFTA Secretariat, Suite 2061, 14th and Constitution Avenue, Washington, D.C. 20230, (202) 482–5438.

SUPPLEMENTARY INFORMATION: Chapter 19 of the North American Free-Trade Agreement ("Agreement") establishes a mechanism to replace domestic judicial review of final determinations in antidumping and countervailing duty cases involving imports from a NAFTA country with review by independent binational panels. When a Request for Panel Review is filed, a panel is established to act in place of national courts to review expeditiously the final determination to determine whether it conforms with the antidumping or countervailing duty law of the country that made the determination.

Under Article 1904 of the Agreement, which came into force on January 1, 1994, the Government of the United States, the Government of Canada and the Government of Mexico established *Rules of Procedure for Article 1904 Binational Panel Reviews* ("Rules"). These Rules were published in the **Federal Register** on February 23, 1994 (59 FR 8686).

A first Request for Panel Review was filed with the Canadian Section of the NAFTA Secretariat, pursuant to Article 1904 of the Agreement, on June 5, 1998, requesting panel review of the final material injury determination described above.

The Rules provide that:

(a) A Party or interested person may challenge the final determination in whole or in part by filing a Complaint in accordance with Rule 39 within 30 days after the filing of the first Request for Panel Review (the deadline for filing a Complaint is July 6, 1998);

(b) A Party, investigating authority or interested person that does not file a Complaint but that intends to appear in support of any reviewable portion of the final determination may participate in the panel review by filing a Notice of Appearance in accordance with Rule 40 within 45 days after the filing of the first Request for Panel Review (the deadline for filing a Notice of Appearance is July 20, 1998); and

(c) The panel review shall be limited to the allegations of error of fact or law, including the jurisdiction of the investigating authority, that are set out in the Complaints filed in the panel review and the procedural and substantive defenses raised in the panel review.

Dated: June 15, 1998.

James R. Holbein,

United States Secretary, NAFTA Secretariat.

[FR Doc. 98–18260 Filed 7–8–98; 8:45 am]

BILLING CODE 3510–GT–P

DEPARTMENT OF COMMERCE

National Institute of Standards and Technology

Notice of Government Owned Inventions Available for Licensing

AGENCY: National Institute of Standards and Technology Commerce.

SUMMARY: The inventions listed below are owned in whole or in part by the U.S. Government, as represented by the Department of Commerce. The Department of Commerce's ownership interest in the inventions are available for licensing in accordance with 35 U.S.C. 207 and 37 CFR Part 404 to achieve expeditious commercialization of results of Federally funded research and development.

FOR FURTHER INFORMATION CONTACT: Technical and licensing information on these inventions may be obtained by writing to: National Institute of Standards and Technology, Industrial Partnerships Program, Building 820, Room 213, Gaithersburg, MD 20899; Fax 301–869–2751. Any request for information should include the NIST Docket No. and Title for the relevant invention as indicated below.

SUPPLEMENTARY INFORMATION: NIST may enter into a Cooperative Research and Development Agreement ("CRADA") with the licensee to perform further research on the inventions for purposes of commercialization. The inventions available for licensing are:

NIST Docket Number: 94–020/030.

Title: Miniature X-Ray Source.

Abstract: The invention is jointly owned by the U.S. Government, as represented by the Secretary of Commerce, and the United States Navy. The United States Navy has transferred custody of their interest in the invention to the National Institute of Standards and Technology. A miniature x-ray source only a few millimeters across has applications as an x-ray source for a number of medical applications including non-invasive intracavitary radiotherapy, diagnostic medical x-ray imaging, and intraoperative radiotherapy. Also, for example, an x-ray source according to the invention may be placed in the mouth of a patient and an x-ray film placed outside the mouth so as to obtain an image of the mandibular joint close to the ear. Other scientific applications for this tiny radiation source include small x-ray microscopes, fluorescence analysis absorptometry, radiography and x-ray tomography. The miniature x-ray source has a cathode which may comprise a gated array of field emission elements, an array of solid state miniature thermionic cathodes, or ferroelectric cathodes. Each of these cathodes can be manufactured using photolithographic and etching techniques commonly found in the semiconductor industry. The anode may be a foil, a thin film of metal deposited on the inside surface of a wall of the evacuated chamber or a self-supporting body of a metal that produces x-rays in response to electron impacts.

NIST Docket Number: 95–036US.

Title: X-Ray Lithography Mask Inspection System.

Abstract: The invention is jointly owned by the U.S. Government, as represented by the Secretary of Commerce, and Wisconsin Alumni Research Foundation. The invention uses an x-ray conversion microscope to form an enlarged image of the actual x-ray pattern that an x-ray mask would project onto a resist. Present x-ray mask inspection is done by electron microscopes where the image produced is representative of the interaction of high energy electrons with the features on the mask. The proposed technique would instead form images from the x-ray transmission of the mask, the quantity most relevant to the mask's performance in the x-ray lithography process.

NIST Docket Number: 96–022US.

Title: Methods For Machining Hard Materials Using Alcohols.

Abstract: This invention is jointly owned by the U.S. Government, as represented by the Secretary of Commerce, and the University of Maryland. The present invention provides a method for machining hard materials using the machining fluids containing long chain alcohol in which the machining fluid is applied to a machining tool and then lubricates the machining of the workpiece by the

machining tool and protects the machining tool during machining. The method is particularly useful when used with machining tools having a Mohs hardness of at least 9 and is most particularly useful when used with diamond machining tools.

NIST Docket Number: 97–014US.

Title: Microroughness-Blind Optical Scattering Instrument.

Abstract: A microroughness-blind optical scanner for detecting particulate contamination on bare silicon wafers focuses p-polarized light onto the surface of a sample. Scattered light is collected through independently rotatable polarizers by one or more collection systems uniformly distributed over a hemispherical shell centered over the sample. The polarizer associated with each collection system is rotated to cancel the corresponding Jones vector, thereby preventing detection of microroughness-scattered light, yielding higher sensitivity to particulate defects. The sample is supported on a positioning system permitting the beam to be scanned over the sample surface of interest.

Dated: July 2, 1998.

Robert E. Hebner,

Acting Deputy Director.

[FR Doc. 98–18211 Filed 7–8–98; 8:45 am]

BILLING CODE 3510–13–M

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

Coastal Zone Management: Federal Consistency Appeal by Chevron U.S.A. Production Company by an Objection by the State of Florida Department of Community Affairs

AGENCY: National Oceanic and Atmospheric Administration, Commerce.

ACTION: Notice of appeal and request for comments.

Chevron U.S.A. Production Company (Appellant), filed with the Secretary of Commerce (Secretary) a notice of appeal pursuant to section 307(c)(3)(B) of the Coastal Zone Management Act of 1972 (CZMA), as amended, 16 U.S.C. 1451 *et seq.*, and the Department of Commerce's implementing regulations, 15 C.F.R. Part 930, Subpart H. The appeal is taken from an objection by the State of Florida (State) to the Appellant's consistency certification for a Development and Production Plan to produce up to 21 natural gas wells in the Destin Dome 56 Unit, some 15 miles from Florida waters and approximately 25 miles from Pensacola. The Appellant has certified that the project is consistent with the State's coastal management program.

The CZMA provides that a timely objection by a state precludes any federal agency from issuing licenses or permits for the activity unless the Secretary finds that the activity is either "consistent with the objectives" of the CZMA (Ground I) or "necessary in the interest of national security" (Ground II). Section 307(c)(3)(A). To make such a determination, the Secretary must find that the proposed project satisfies the requirements of 15 CFR 930.121 or 930.122.

The Appellant requests that the Secretary override the State's consistency objections based on Ground I. To make the determination that the proposed activity is "consistent with the objectives" of the CZMA, the Secretary must find that: (1) the proposed activity furthers one or more of the national objectives or purposes contained in §§ 302 or 303 of the CZMA, (2) the adverse effects of the proposed activity do not outweigh its contribution to the national interest, (3) the proposed activity will not violate the Clean Air Act or the Federal Water Pollution Control Act, and (4) no reasonable alternative is available that would permit the activity to be conducted in a manner consistent with the State's coastal management program. 15 CFR 930.121.

Public comments are invited on the findings that the Secretary must make as set forth in the regulations at 15 CFR 930.121. Comments are due within 30 days of the publication of this notice and should be sent to Ms. Mary O'Brien, Attorney-Adviser, Office of the Assistant General Counsel for Ocean Services, National Oceanic and Atmospheric Administration, U.S. Department of Commerce, 1305 East-West Highway, Room 6111, Silver Spring, MD 20910. Copies of comments will also be forwarded to the Appellant and the State.

All nonconfidential documents submitted in this appeal are available for public inspection during business hours at the offices of the State and the Office of the Assistant General Counsel for Ocean Services.

FOR ADDITIONAL INFORMATION CONTACT: Ms. Mary O'Brien, Attorney-Adviser, Office of the Assistant General Counsel for Ocean Services, National Oceanic and Atmospheric Administration, U.S. Department of Commerce, 1305 East-West Highway, Room 6111, Silver Spring, MD 20910, 301–713–2967.

(Federal Domestic Assistance Catalog No. 11.419 Coastal Zone Management Program Assistance)

Dated: June 25, 1998.

Monica Medina,

General Counsel.

[FR Doc. 98–18192 Filed 7–8–98; 8:45 am]

BILLING CODE 3510–08–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

ENVIRONMENTAL PROTECTION AGENCY

Coastal Nonpoint Pollution Control Program: Conditional Approvals, Findings Documents, Responses to Comments, and Records of Decision

AGENCY: National Oceanic and Atmospheric Administration, U.S. Department of Commerce, and the U.S. Environmental Protection Agency.

ACTION: Notice of Conditional Approval of Coastal Nonpoint Pollution Control Programs and Availability of Findings Documents, Responses to Comments, and Records of Decision for Alabama, Alaska, California, Connecticut, Hawaii, Louisiana, and Washington.

SUMMARY: Notice is hereby given of the conditional approval of the Coastal Nonpoint Pollution Control Programs (coastal nonpoint programs) and of the availability of the Findings Documents, Responses to Comments, and Records of Decision for Alabama, Alaska, California, Connecticut, Hawaii, Louisiana, and Washington. Section 6217 of the Coastal Zone Act Reauthorization Amendments (CZARA), 16 U.S.C. section 1455b, requires states and territories with coastal zone management programs that have received approval under section 306 of the Coastal Zone Management Act to develop and implement coastal nonpoint programs. Coastal states and territories were required to submit their coastal nonpoint programs to the National Oceanic and Atmospheric Administration (NOAA) and the U.S. Environmental Protection Agency (EPA) for approval in July 1995.

NOAA and EPA have approved, with conditions, the coastal nonpoint programs submitted by Alabama, Alaska, California, Connecticut, Hawaii, Louisiana, and Washington.

NOAA and EPA have prepared a Findings Document for each 6217 program submitted for approval. The Findings Documents were prepared by NOAA and EPA to provide the rationale for the agencies' decision to approve

each state and territory coastal nonpoint program. The Proposed Findings Documents, Environmental Assessments, and Findings of No Significant Impact prepared for the coastal nonpoint programs submitted by Alabama, Alaska, California, Connecticut, Hawaii, Louisiana, and Washington were made available for public comment in the **Federal Register.** Public comments were received and responses prepared on the Alabama, Alaska, California, Connecticut, Hawaii, and Louisiana programs.

In accordance with the National Environmental Policy Act (NEPA) NOAA has also prepared a Record of Decision on each program. The requirements of 40 CFR Parts 1500–1508 (Council on Environmental Quality (CEQ) regulations to implement the National Environmental Policy Act) apply to the preparation of a Record of Decision. Specifically, 40 CFR section 1505.2 requires an agency to prepare a concise public record of decision at the time of its decision on the action proposed in an environmental impact statement. The Record of Decision shall: (1) state what the decision was; (2) identify all alternatives considered, specifying the alternative considered to be environmentally preferable; and (3) state whether all practicable means to avoid or minimize environmental harm from the alternative selected have been adopted.

In March 1996, NOAA published a programmatic environmental impact statement (PEIS) that assessed the environmental impacts associated with the approval of state and territory coastal nonpoint programs. The PEIS forms the basis for the environmental assessments NOAA has prepared for each state and territorial coastal nonpoint program submitted to NOAA and EPA for approval. In the PEIS, NOAA determined that the approval and conditional approval of coastal nonpoint in any significant adverse environmental impacts and that these programs will not result actions will have an overall beneficial effect on the environment. Because the PEIS served only as a "framework for decision" on individual state and territorial coastal nonpoint programs, and no actual decision was made following its publication, NOAA has prepared a NEPA Record of Decision on each individual state and territorial program submitted for review.

Copies of the Findings Documents, Responses to Comments, and Records of Decision may be obtained upon request from: Joseph A. Uravitch, Chief, Coastal Programs Division (N/ORM3), Office of Ocean and Coastal Resource Management, NOS, NOAA, 1305 East-West Highway, Silver Spring, Maryland, 20910, tel. (301) 713–3155, x195.

(Federal Domestic Assistance Catalog 11.419 Coastal Zone Management Program Administration)

Dated: July 6, 1998.

Captain Evelyn J. Fields,

Acting Deputy Assistant Administrator for Ocean Services and Coastal Zone Management, National Oceanic and Atmospheric Administration.

Robert H. Wayland, III,

Director, Office of Wetlands, Oceans and Watersheds, Environmental Protection Agency.

[FR Doc. 98–18202 Filed 7–8–98; 8:45 am]

BILLING CODE 3510–12–M

COMMISSION OF FINE ARTS

Notice of Meeting

The next meeting of the Commission of Fine Arts is scheduled for 23 July 1998 at 10:00 AM in the Commission's offices at the National Building Museum (Pension Building), Suite 312, Judiciary Square, 441 F Street, N.W., Washington, D.C. 20001. The meeting will focus on a variety of projects affecting the appearance of the city.

Inquiries regarding the agenda and requests to submit written or oral statements should be addressed to Charles H. Atherton, Secretary, Commission of Fine Arts, at the above address or call 202–504–2200. Individuals requiring sign language interpretation for the hearing impaired should contact the Secretary at least 10 days before the meeting date.

Dated in Washington, D.C. 29 June 1998.

Charles H. Atherton,

Secretary.

[FR Doc. 98–18262 Filed 7–8–98; 8:45 am]

BILLING CODE 6330–01–M

COMMITTEE FOR THE IMPLEMENTATION OF TEXTILE AGREEMENTS

Amendment to Quota and Visa Requirements to Increase the Exemption for Properly Marked Commercial Sample Shipments From Various Countries

July 6, 1998.

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

ACTION: Issuing a directive to the Commissioner of Customs increasing the exemption for properly marked commercial sample shipments.

EFFECTIVE DATE: September 1, 1998.

FOR FURTHER INFORMATION CONTACT: Brian F. Fennessy, International Trade Specialist, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 482–3400.

SUPPLEMENTARY INFORMATION:

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

Currently, shipments of properly marked commercial samples valued at U.S.$250 or less do not require a visa for entry into the United States and are not charged to applicable quotas. The Committee for the Implementation of Textile Agreements has reviewed the dollar limitation and has decided to increase the exemption from U.S.$250 to U.S.$800 for properly marked commercial sample shipments exported on or after September 1, 1998.

In addition to other requirements, U.S. Customs guidelines require that each imported sample must be indelibly marked "SAMPLE" in large letters in specific locations depending on the imported article.

In the letter published below, the Chairman of CITA directs the Commissioner of Customs to amend existing visa requirements.

Troy H. Cribb,

Chairman, Committee for the Implementation of Textile Agreements.

Committee for the Implementation of Textile Agreements

July 6, 1998.

Commissioner of Customs,
Department of the Treasury, Washington, DC 20229.

Dear Commissioner: This directive amends, but does not cancel, all directives issued to you which establish textile and apparel export visa requirements.

The Committee for the Implementation of Textile Agreements has decided to increase the dollar limitation for properly marked commercial sample shipments from U.S.$250 to U.S.$800. Effective on September 1, 1998, for products exported on or after September 1, 1998, shipments of properly marked commercial samples valued at U.S.$800 or less do not require a visa for entry into the United States and shall not be charged to applicable quotas.

Shipments entered or withdrawn from warehouse according to this directive which are not properly marked shall be subject to applicable quota and visa requirements.

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

Sincerely,
Troy H. Cribb,
Chairman, Committee for the Implementation of Textile Agreements.
[FR Doc. 98–18234 Filed 7–8–98; 8:45 am]
BILLING CODE 3510–DR–F

DEPARTMENT OF DEFENSE

Reinstatement of Small Business Set-Asides for Certain Acquisitions Under the Small Business Competitiveness Demonstration Program

AGENCY: Department of Defense (DoD).

ACTION: Notice of reinstatement of small business set-asides under the Small Business Competitiveness Demonstration Program.

SUMMARY: The Director of Defense Procurement has reinstated the use of small business set-aside procedures for certain construction acquisitions issued by the Departments of the Army and Navy. Included in the reinstatement are solicitations issued under Standard Industrial Category Major Group 15 and Standard Industrial Category Code 1629 (Navy only).

EFFECTIVE DATE: June 17, 1998.

FOR FURTHER INFORMATION CONTACT: Mr. Michael Sipple, OUSD (A&T), Director of Defense Procurement, Contract Policy Administration, Room 3C838, 3060 Defense Pentagon, Washington, DC 20301–3060, telephone (703) 695–8567.

SUPPLEMENTARY INFORMATION: The Office of Federal Procurement Policy (OFPP) implemented Title VII of Pub. L. 100–656 (15 U.S.C. 644 note) by issuance of the "Small Business Competitiveness Demonstration Program Test Plan" on August 31, 1989, amended April 16, 1993. The program was further implemented in Subpart 19.10 of the Federal Acquisition Regulation (FAR) and Subpart 219.10 of the Defense FAR Supplement (DFARS).

Under the program, small business set-asides were initially suspended for certain designated industry groups (DIGs). Agencies are required by paragraphs III.D.2.a and IV.A.4. of the OFPP test plan to reinstate the use of small business set-asides whenever the small business awards under any designated industry group falls below 40 percent or whenever small business awards under an Individual Standard Industrial Classification (SIC) Code within the designated industry group falls below 35 percent. Reinstatement is to be limited to the organizational elements (in the case of DoD, the individual military departments or other components) that failed to meet the small business participation goals.

For the 12 months ending March 1998, DoD awards in the industries shown below fell below the 40 percent (SIC Major Group 15) or 35 percent (SIC Code 1629) thresholds. Accordingly, pursuant to DFARS 219.1006(b)(2), the Director of Defense Procurement has directed reinstatement of small business set aside procedures for solicitations that involve the industry categories shown below. The reinstatement applies to solicitations issued by the applicable buying activities on or after June 17, 1998, or as soon thereafter as practicable:

Industry	Applicable to
Construction:.	
Major Group 15 (including SIC 1521, 1522, 1531, 1541, and 1542)	All Army and Navy Activities.
Major Group 16—SIC, Code 1629 only	All Navy Activities.

Consistent with the OFPP test plan, this reinstatement of set-asides will be periodically reviewed for continuation. Small business set-asides were reinstated DoD-wide for the DIG titled "Architectural and Engineering Services," by memorandum of September 30, 1991. That reinstatement remains in effect.

Michele P. Peterson,
Executive Editor, Defense Acquisition Regulations Council.
[FR Doc. 98–18097 Filed 7–8–98; 8:45 am]
BILLING CODE 5000–04–M

DEPARTMENT OF ENERGY

[Docket Nos. EA–105–A–CN, EA–168–A and EA–187]

Applications To Export Electric Energy; NorAm Energy Services, PG&E Energy, Merchant Energy Group

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of applications.

SUMMARY: NorAm Energy Services, Inc. (NES) has applied for renewal of its authority to transmit electric energy from the United States to Canada pursuant to section 202(e) of the Federal Power Act. PG&E Energy Trading-Power, L.P. (PG&E) has applied to amend its authorization to export electric energy to Canada by adding additional transmission facilities, and Merchant Energy Group of the Americas, Inc. (MEGA) has applied for authority to transmit electric energy to Canada.

DATES: Comments, protests or requests to intervene must be submitted on or before August 10, 1998.

ADDRESSES: Comments, protests or requests to intervene should be addressed as follows: Office of Coal & Power Im/Ex (FE–27), Office of Fossil Energy, U.S. Department of Energy, 1000 Independence Avenue, SW, Washington, DC 20585–0350 (FAX 202–287–5736).

FOR FURTHER INFORMATION CONTACT: Ellen Russell (Program Office) 202–586–9624 or Michael Skinker (Program Attorney) 202–586–6667.

SUPPLEMENTARY INFORMATION: Exports of electricity from the United States to a foreign country are regulated and require authorization under section 202(e) of the Federal Power Act (FPA) (16 U.S.C. 824a(e)).

The Office of Fossil Energy (FE) of the Department of Energy (DOE) has received applications from the following companies for authorization to export electric energy to Canada:

Applicant	Application date	Docket No.
NorAm Energy Services Inc	6/18/98	EA–105–A–CN
PG&E Energy Trading-Power, L.P	6/23/98	EA–168–A
Merchant Energy Group of the Americas, Inc	6/25/98	EA–187

On August 16, 1996, FE authorized NES, a power marketer, to transmit electric energy from the United States to Canada. That authorization will expire on August 16, 1998. In Docket EA–105–A–CN, NES filed an application with FE for renewal of its export authority for a five year period.

On February 24, 1998, FE authorized PG&E to export electric energy from the United States to Canada using the transmission facilities of The Detroit Edison Company, Minnesota Power & Light Company, the New York Power Authority, and Niagara Mohawk Power Corporation. In the application in Docket No. EA–168–A, PG&E now seeks to add additional international transmission facilities to those already authorized.

In Docket No. EA–187, MEGA, a power marketer, proposes to export to Canada electric energy purchased from U.S. electric utilities, Federal power marketing agencies, and other entities authorized to sell power for resale.

Each of the above exporters propose to arrange for the delivery of electric energy to Canada over transmission facilities owned by Basin Electric Power Cooperative, Bonneville Power Administration, Bradfield Electric, Citizens Utilities, Detroit Edison Company, Eastern Maine Electric Cooperative, Joint Owners of the Highgate Project, Long Sault Incorporated, Maine Electric Power Company, Maine Public Service Company, Minnesota Power and Light Company, Minnkota Power Cooperative, New York Power Authority, Niagara Mohawk Power Corporation, Northern States Power and Vermont Electric Transmission Company.

The construction of each of the international transmission facilities to be utilized by these applicants, as more fully described in the applications, has previously been authorized by a Presidential permit issued pursuant to Executive Order 10485, as amended.

Procedural Matters

Any person desiring to become a party to this proceeding or to be heard by filing comments or protest to this application should file a petition to intervene, comment or protest at the address provided above in accordance with §§ 385.211 or 385.214 of the FERC's Rules of Practice and Procedures (18 CFR 385.211, 385.214). Fifteen copies of each petition and protest should be filed with the DOE on or before the date listed above.

Comments on NES's request to renew its export authorization to Canada should be clearly marked with Docket EA–105–A–CN. Additional copies are to be filed directly with Kevin P. Erwin, General Attorney, NorAm Energy Service, Inc., P.O. Box 4455, 1111 Louisiana, 7th Floor, Houston, Texas 77210–4455.

Comments on PG&E's application to amend its authorization to export electric energy to Canada should be marked with Docket EA–168–A. Additional copies are to be filed directly with Christopher A. Wilson, Esq., Assistant General Counsel, U.S. Generating Company, 7500 Old Georgetown Road, Suite 1300, Bethesda, MD 20814–6161 *and* Ms. Sarah Barpoulis, Senior Vice President, PG&E Energy Trading—Power, L.P., 7500 Old Georgetown Road, Suite 1300, Bethesda, MD 20814–6161.

Comments on MEGA's application to export electric energy to Canada should be clearly marked with Docket EA–187. Additional copies are to be filed directly with Joseph P. Limone, Esq., Legal Department, Merchant Energy Group of the Americas, Inc., 275 West Street, Suite 320, Annapolis, MD 21401.

A final decision will be made on these applications after the environmental impacts have been evaluated pursuant to the National Environmental Policy Act of 1969 (NEPA), and a determination is made by the DOE that the proposed actions will not adversely impact on the reliability of the U.S. electric power supply system.

Copies of these applications will be made available, upon request, for public inspection and copying at the address provided above. Further information may also be obtained on the program through the World Wide Web by accessing the Fossil Energy Home Page at http://www.fe.doe.gov then selecting "Regulatory" and "Electricity" from the options menus.

Issued in Washington, DC on July 2, 1998.

Ellen Russell,

Acting Manager, Electric Power Regulation, Office of Coal & Power Im/Ex, Office of Coal & Power Systems, Office of Fossil Energy.

[FR Doc. 98–18213 Filed 7–8–98; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

[FE Docket No. PP–188]

Application for Presidential Permit; Dynegy Power Corporation

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of Application.

SUMMARY: Dynegy Power Corp. (Dynegy), an independent power producer, has applied for a Presidential permit to construct, connect, operate and maintain a new electric transmission facility across the U.S. border with Mexico.

DATES: Comments, protests, or requests to intervene must be submitted on or before August 10, 1998.

ADDRESSES: Comments, protests, or requests to intervene should be addressed as follows: Office of Coal & Power Import and Export (FE–27), Office of Fossil Energy, U.S. Department of Energy, 1000 Independence Avenue, S.W., Washington, D.C. 20585–0350.

FOR FURTHER INFORMATION CONTACT: Ellen Russell (Program Office) 202–586–9506 or Michael T. Skinker (Program Attorney) 202–586–6667.

SUPPLEMENTARY INFORMATION: The construction, connection, operation, and maintenance of facilities at the international border of the United States for the transmission of electric energy between the United States and a foreign country is prohibited in the absence of a Presidential permit issued pursuant to Executive Order (EO) 10485, as amended by EO 12038.

On July 1, 1998, Dynegy, formerly known as Destec Energy, Inc., a subsidiary of NGC Corporation, filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE) for a Presidential permit. Dynegy proposes to construct a one-quarter mile double circuit 230-kilovolt (kV) transmission line to the U.S. border with Mexico from a 400 megawatt (MW) gas-fired electric powerplant it proposes to construct adjacent in Santa Teresa, Dona Ana County, New Mexico. At the border, the Dynegy transmission lines will interconnect with similar facilities owned by Comission Federal de Electricidad (CFE), the national electric utility of Mexico, and continue approximately 17 additional miles in Mexico to CFE's future Paso Del Norte Substation.

In its application Dynegy asserts that the facilities proposed herein are not to be interconnected with any other part of the U.S. electric power system thereby precluding third party use of these transmission facilities.

Prior to exporting electric energy to Mexico Dynegy will be required to obtain an authorization from DOE pursuant to section 202(e) of the Federal Power Act (FPA) (16 U.S.C. § 824a(e)).

Procedural Matters

Any person desiring to be heard or to protest this application should file a petition to intervene or protest at the address provided above in accordance with section 385.211 or 385.214 of the Federal Energy Regulatory

Commission's Rules of Practice and Procedure (18 CFR 385.211, 385.214).

Fifteen copies of such petitions and protests should be filed with the DOE on or before the date listed above. Additional copies of such petitions to intervene or protest also should be filed directly with: Mr. David Kellermeyer, Dynegy Power Corp., 1000 Louisiana, Suite 5800, Houston, TX 77002–5050.

Before a Presidential permit may be issued or amended, the DOE must determine that the proposed action will not adversely impact on the reliability of the U.S. electric power supply system and also consider the environmental impacts of the proposed action pursuant to the National Environmental Policy Act of 1969. DOE also must obtain the concurrence of the Secretary of State and the Secretary of Defense before taking final action on a Presidential permit application.

Copies of this application will be made available, upon request, for public inspection and copying at the address provided above. In addition, this application will be made available on the Internet on the Office of Fossil Energy's home page. The site is accessible at www.fe.doe.gov. Select "Regulatory" then "Electricity."

Issued in Washington, D.C., on July 2, 1998.

Ellen Russell,

Acting Manager, Electric Power Regulation, Office of Coal & Power Im/Ex, Office of Coal & Power Systems, Office of Fossil Energy.

[FR Doc. 98–18212 Filed 7–8–98; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–274–000]

Black Marlin Pipeline Company; Notice of Proposed Changes to FERC Gas Tariff

July 2, 1998.

Take notice that on June 30, 1998, Black Marlin Pipeline Company (Black Marlin) tendered for filing to become part of its FERC Gas Tariff, First Revised Volume No. 1, the following tariff sheets to be effective August 1, 1998:

Ninth Revised Sheet No. 4
Second Revised Sheet No. 213F

Black Marlin states that it is making this filing to (1) provide an increase in rates for its transportation services and (2) eliminate the interruptible revenue sharing mechanism from its tariff.

Black Marlin states that the tariff sheet filed herein reflects rates necessary to recover annual operating costs which Black Marlin expects to incur in performing service under its existing rate schedules, utilizing a Base Period ended March 31, 1998 adjusted for known and measurable changes anticipated to occur during the nine-month Test Period ending December 31, 1998.

The proposed rates are based on an overall cost of service for Black Marlin's jurisdictional services of $3.2 million (exclusive of the cost of service associated with Black Marlin's onshore NGPA Section 311 facilities), as compared to a cost of service of $3.1 million underlying the currently effective rates. Absent the instant rate case, Black Marlin would realize a revenue deficiency of $1.8 million as indicated by comparing the proposed rates with the currently effective rates applied to the Test Period volumes.

The major reasons for the proposed rate increase are: (1) a decrease in annual throughput from 31,101,046 MMBtu underlying the currently effective rates to 19,331,916 MMBtu for the Test Period because of declines in the deliverability of the reserves to which Black Marlin is connected; and (2) the impact of approximately $4.4 million in capital expenditures required to lower the portion of Black Marlin's line affected by a project of the U.S. Army Corps of Engineers and the Port of Houston Authority to widen and deepen the Houston Ship Channel.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18168 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–278–000]

CNG Transmission Corporation; Notice of Proposed Changes in FERC Gas Tariff

July 2, 1998.

Take notice that on June 30, 1998, CNG Transmission Corporation (CNGT) tendered for filing as part of its FERC Gas Tariff, Second Revised Volume No. 1, the following tariff sheets, with an effective date of August 1, 1998:

Thirty-Ninth Revised Sheet No. 32
Thirty-Ninth Revised Sheet No. 33

CNGT states that the purpose of this filing is to submit CNGT's quarterly revision of the Section 18.2.B. Surcharge, effective for the three-month period commencing August 1, 1998. The charge for the quarter ending July 31, 1998, has been $0.0032 per Dt, as authorized by Commission Order dated April 20, 1998, in Docket No. RP98–171. CNGT's proposed Section 18.2.B. surcharge for the next quarterly period is $0.0026 per Dt. The revised surcharge is designed to recover $16,088 in Stranded Account No. 858 Costs.

CNGT states that copies of this letter of transmittal and enclosures are being mailed to CNGT's customers and interested state commissions.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18172 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP98–631–000]

Columbia Gas Transmission Corporation; Notice of Request Under Blanket Authorization

July 2, 1998.

Take notice that on June 23, 1998, and supplemented on July 1, 1998, Columbia Gas Transmission Corporation (Columbia), 12801 Fair Lakes Parkway, Fairfax, Virginia 22030–0146, filed in Docket No. CP98–631–000, a request pursuant to Sections 157.205 and 157.211 of the Commission's Regulations under the Natural Gas Act (18 CFR 157.205 and 157.211) for authorization to construct and operate three points of delivery to Union Light Heat and Power Company (ULH) in Campbell County, Kentucky, under its blanket certificate issued in Docket No. CP83–76–000, pursuant to Section 7(c) of the Natural Gas Act, all as more fully set forth in the request which is on file with the Commission and open to public inspection.

Columbia requests authorization to construct and operate three new points of delivery for firm transportation and will provide the service pursuant to Columbia's blanket certification issued in Docket No. CP86–240–000. Columbia indicates that the transportation service will be provided under its Storage Service Transportation (SST) Rate Schedule. Columbia estimates the quantities to be delivered at each new point of delivery will be approximately 440 Dth/day and 160,600 Dth annually, within Columbia's authorized level of services. Columbia asserts that there is no impact on Columbia's existing design day and annual obligations to its customers as a result of the construction and operation of these delivery points for firm transportation service.

Columbia says the points of delivery have been requested by ULH to serve both residential and commercial customers. Columbia estimates the cost to construct these new points of delivery to be approximately $18,000, which includes "gross up" for income tax purposes. Columbia states that ULH will reimburse Columbia 100% of the actual cost of construction.

Any person or the Commission's staff may, within 45 days after issuance of the instant notice by the Commission, file with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington D.C. 20426, pursuant to Rule 214 of the Commission's Procedural Rules (18 CFR 385.214) a motion to intervene or notice of intervention and pursuant to Section 157.205 of the Regulations under the Natural Gas Act (18 CFR 157.205) a protest to the request. If no protest is filed within the time allowed therefor, the proposed activity shall be deemed to be authorized effective the day after the time allowed for filing a protest. If a protest is filed and not withdrawn within 30 days after the time allowed for filing a protest, the instant request shall be treated as an application for authorization pursuant to Section 7 of the Natural Gas Act.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18175 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. TM98–2–127–003]

Cove Point LNG Limited Partnership; Notice of Proposed Changes in FERC Gas Tariff

July 2, 1998.

Take notice that on June 29, 1998, Cove Point LNG Limited Partnership (Cove Point) tendered for filing to become a part of its FERC Gas Tariff, First Revised Volume No. 1, Substitute Third Revised Sheet No. 99, to be effective July 29, 1998.

Cove Point states that this tariff sheet is being filed in order to correct a page version and pagination error found in the tariff sheet submitted on June 10, 1998 in the above referenced proceeding.

Cove Point states that copies of the filing were served upon Cove Point's customers and interested State Commissions.

Any person desiring to protest this filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Section 385.211 of the Commission's Rules and Regulations. All such protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18174 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–17–004]

Dauphin Island Gathering Partners; Notice of Proposed Changes in FERC Gas Tariff

July 2, 1998.

Take notice that on June 30, 1998, Dauphin Island Gathering Partners (DIGP) tendered for filing as part of its FERC Gas Tariff, Original Volume No. 1, the tariff sheet listed below to become effective July 1, 1998. The modification to the listed tariff sheet is proposed to more accurately align the maximum daily quantity for OEDC Exploration & Producing, L.P. with anticipated production.

Second Revised Sheet No. 9A

DIGP states that copies of this filing are being served on all affected customers and applicable state regulatory agencies.

Any person desiring to protest this filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Section 385.211 of the Commission's Rules and Regulations. All such protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18186 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–266–000]

Discovery Gas Transmission LLC; Notice of Compliance Filing

July 2, 1998.

Take notice that on June 29, 1998, Discovery Gas Transmission LLC (Discovery) tendered for filing the tariff sheets listed on Attachment A to the filing, to become effective August 1, 1998.

Discovery states that the purpose of this filing is to comply with the Commission's order issued April 16, 1998, in Docket No. RM96–1–007.

Discovery states that the instant filing reflects changes to the General Terms and Conditions of Discovery's Tariff required to implement standards issued by GISB and adopted by the Commission in Order 587–G, issued April 16, 1998, in Docket No. RM 96–1–007. The filing also includes changes required by Commission Regulations Section 284.10(c)(3) (ii) through (v), including posting to Discovery's Internet web site of information required by GISB Standard 4.3.6. Discovery is also implementing changes to its FERC Gas Tariff reflecting the adoption of Section 284.10(c)(3)(i) of the Regulations relating to Internet web site communication of electronic information and transactions using the public Internet.

Discovery states that copies of this filing are being mailed to its customers, state commissions and other interested parties.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18162 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. GT98–75–000]

Distrigas of Massachusetts Corporation; Notice of Refund Report

July 2, 1998.

Take notice that on June 29, 1998, Distrigas of Massachusetts Corporation (DOMAC) tendered for filing a Refund Report in compliance with the Commission's Order dated February 22, 1995 in Docket No. RP95–124–000.

DOMAC states that it received a Tier 1 refund from the Gas Research Institute in the amount of $16,839,000. DOMAC states that the refund results from overpayments by DOMAC for the 1997 calendar year. DOMAC states that it will not credit this refund to its customers because it does not pass through its GRI Funding obligations in its firm customers, and, therefore, no customers are eligible for such credits.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed on or before July 9, 1998. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18182 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–275–000]

Equitrans, L.P.; Notice of Proposed Changes in FERC Gas Tariff

July 2, 1998.

Take notice that on June 30, 1998, Equitrans, L.P. (Equitrans) tendered for filing as part of its FERC Gas Tariff, First Revised Volume No. 1, the following revised tariff sheet to become effective August 1, 1998:

Second Revised Sheet No. 269

Equitrans states that the purpose of this filing is to comply with the Federal Energy Regulatory Commission's Order No. 587–G issued on April 16, 1998 in Docket No. RM96–1–007 adopting new, revised and interpretation of the standards promulgated by the Gas Industry Standards Board (GISB). These standards require interstate natural gas pipelines to follow certain new and revised business practice procedures. The Commission directed pipelines to make a filing to change all references to GISB standards in their tariffs to Version 1.2 by August 1, 1998. This version number applies to all standards contained in GISB's Version 1.2 Standards Manuals, including standards that have not changed from the previous versions. In compliance, Equitrans filed adopt Version 1.2 in Section 35.1 of its General Terms and Conditions.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18169 Filed 7–8–98; 8:45 am]

BILLING CODE 717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. GT98–77–000]

Equitrans, L.P.; Notice of Proposed Changes in FERC Gas Tariff

July 2, 1998.

Take notice that on June 30, 1998, Equitrans, L.P. (Equitrans), tendered for filing as part of its FERC Gas Tariff, First Revised Volume No. 1, the following tariff sheets, to become effective July 1, 1998.

Ninth Revised Sheet No. 400
Eleventh Revised Sheet No. 401

Equitrans states that this filing is made to update Equitrans index of customers. In Order No. 581 the Commission established a revised format for the Index of Customers to be included in the tariffs of interstate pipelines and required the pipelines to update the index on a quarterly basis to reflect changes in contract activity. Equitrans requests a waiver of the Commission's notice requirements to permit the tariff sheets to take effect on July 1, 1998, the first calendar quarter, in accordance with Order No. 581.

Equitrans states that a copy of its filing has been served upon its customers and interested state commissions.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18183 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP98–641–000]

Florida Gas Transmission Company; Notice of Request Under Blanket Authorization

July 2, 1998.

Take notice that on June 29, 1998, Florida Gas Transmission Company (FGT), 1400 Smith Street, Suite 3997, P.O. Box 1188, Houston, Texas 77251–1188, filed in Docket No. CP98–641–000 a request pursuant to §§ 157.205 and 157.212 of the Commission's Regulations under the Natural Gas Act (18 CFR 157.205, 157.212) for authorization to construct, own, and operate a new delivery point, located in Manatee County, Florida to deliver natural gas for TECO Peoples Gas Inc. (TECO), under FGT's blanket certificate issued in Docket No. CP82–553–000, pursuant to Section 7(c) of the Natural Gas Act, all as more fully set forth in the request that is on file with the Commission and open to public inspection.

FGT proposes to construct, own, and operate a tap, valve, electronic flow measurement (EFM) equipment, and approximately 100 feet of 6-inch connecting pipeline for TECO to deliver to a new meter station (PGS-Lakewood Ranch), located in Manatee County, Florida, at mile post 73.56 off FGT's 8-inch Sarasota Lateral.

FGT states that TECO will construct, own, and operate this new meter station with FGT constructing the tap, EFM, and connecting line. FGT declares that the proposed delivery capacity at this new point will be 32,500 MMBtu per day at line pressure. FGT asserts that TECO will reimburse FGT for all costs directly and indirectly incurred by FGT for the construction of the new delivery point. FGT states that the estimated total cost of the proposed construction is $74,500, inclusive of tax gross-up.

FGT Gas declares that the proposed gas deliveries at the subject point will be from currently existing certificated levels that will be released from existing service agreements and, therefore, will not have an impact on FGT's daily, annual, or peak day deliveries. FGT states that TECO will acquire relinquished volumes from existing customers to serve the new PGS-Lakewook Ranch meter station.

Any person or the Commission's staff may, within 45 days after issuance of the instant notice by the Commission, file pursuant to Rule 214 of the Commission's Procedural Rules (18 CFR 385.214) a motion to intervene or notice of intervention and pursuant to § 157.205 of the Regulations under the Natural Gas Act (18 CFR 157.205) a protest to the request. If no protest is filed within the time allowed therefor, the proposed activity shall be deemed to be authorized effective the day after the time allowed for filing a protest. If a protest is filed and not withdrawn within 30 days after the time allowed for filing a protest, the instant request shall be treated as an application for authorization pursuant to Section 7 of the Natural Gas Act.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18176 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–279–000]

Great Lakes Gas Transmission Limited Partnership; Notice of Proposed Changes in FERC Gas Tariff

July 2, 1998.

Take notice that on June 30, 1998, Great Lakes Gas Transmission Limited Partnership (Great Lakes) tendered for filing as part of its FERC Gas Tariff, Second Revised Volume No. 1, Fourth Revised Sheet No. 42, First Revised Sheet No. 42A, and Fourth Revised Sheet No. 50C, proposed to become effective August 1, 1998.

Great Lakes states that the tariff sheets are being filed to comply with Commission's Order No. 587–G issued on April 16, 1998, in Docket No. RM96–1–007. 83 FERC ¶ 61,029 (1998). In Order No. 587–G the Commission, inter alia, adopted Version 1.2 of the standards promulgated by the Gas Industry Standards Board (GISB), GISB's interpretations of certain standards, and regulations setting standards for the posting of information on Internet web sites. Great Lakes states that this compliance filing is being made to implement these standards, interpretations, and regulations.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18173 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–245–001]

High Island Offshore System; Notice of Compliance Filing

July 2, 1998.

Take notice that on June 29, 1998, High Island Offshore System (HIOS), tendered for filing as part of its FERC Gas Tariff, Second Revised Volume No. 1, the following tariff sheet to be effective August 1, 1998:

First Revised Sheet No. 110C

HIOS asserts that the purpose of this filing is to correct an inadvertent error in pagination in its June 10, 1998 filing to comply with the Commission's Order No. 587–G in Docket No. RM96–1–007. That order requires pipelines to comply with the adoption of Version 1.2 of the GISB standards (284.10(b)) and the standards regarding the posting of information on websites and retention of electronic information (284.10(c)(3)(ii) through (v)).

Any person desiring to protest this filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Section 385.211 of the Commission's Rules and Regulations. All such protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18188 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–271–000]

Iroquois Gas Transmission System, L.P.; Notice of Proposed Changes in FERC Gas Tariff

July 2, 1998.

Take notice that on June 30, 1998, Iroquois Gas Transmission System, L.P. (Iroquois) tendered for filing as part of its FERC Gas Tariff, First Revised Volume No. 1, the following tariff sheets proposed to become effective August 1, 1998:

Sixth Revised Sheet No. 57
Fourth Revised Sheet No. 120

Iroquois states that these sheets were submitted in compliance with the provisions of Order No. 587–G, issued on April 16, 1998. The tariff sheets included herewith reflect the adoption of Version 1.2 of the GISB standards which have been incorporated into the Commission's regulations.

Iroquois states that copies of its filing were served on all jurisdictional customers and interested state regulatory agencies.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18166 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER98–3006–000]

K & K Resources, Inc.; Notice of Issuance of Order

July 6, 1998.

K & K Resources, Inc. (K & K) submitted for filing a rate schedule under which K & K will engage in wholesale electric power and energy transactions as a marketer. K & K also requested waiver of various Commission regulations. In particular, K & K requested that the Commission grant blanket approval under 18 CFR Part 34 of all future issuances of securities and assumptions of liability by K & K.

On July 1, 1998, pursuant to delegated authority, the Director, Division of Rate Applications, Office of Electric Power Regulation, granted requests for blanket approval under Part 34, subject to the following:

Within thirty days of the date of the order, any person desiring to be heard or to protest the blanket approval of issuances of securities or assumptions of liability by K & K should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214).

Absent a request for hearing within this period, K & K is authorized to issue securities and assume obligations or liabilities as a guarantor, endorser, surety, or otherwise in respect of any security of another person; provided that such issuance or assumption is for some lawful object within the corporate purposes of the applicant, and compatible with public interest, and is reasonably necessary or appropriate for such purposes.

The Commission reserves the right to require a further showing that neither public nor private interests will be adversely affected by continued approval of K & K's issuances of securities or assumptions of liability.

Notice is hereby given that the deadline for filing motions to intervene or protests, as set forth above, is July 31, 1998. Copies of the full text of the order are available from the Commission's Public Reference Branch, 888 First Street, N.E. Washington, D.C. 20426.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18207 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. GT98–73–000]

Kern River Gas Transmission Company; Notice of Refund Report

July 2, 1998.

Take notice that on June 26, 1998, Kern River Gas Transmission Company (Kern River) tendered for filing a report of Gas Research Institute (GRI) refunds made to its customers.

Kern River states that on May 29, 1998 it received a refund from the GRI in the amount of $663,119, representing an overcollection of the 1997 GRI Tier 1 funding target level set for Kern River by GRI. On June 12, 1998, Kern River credited the GRI refund, pro rata, to its eligible firm customers who received nondiscounted service during 1997.

Kern River states that a copy of this filing has been served upon Kern River's affected customers and interested state regulatory commissions.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed on or before July 9, 1998. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18180 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. GT98–46–001]

Koch Gateway Pipeline Company; Notice of Compliance Filing

July 2, 1998.

Take notice that on June 29, 1998, Koch Gateway Pipeline Company (Koch) tendered for filing as part of its FERC Gas Tariff, Fifth Revised Volume No. 1, the following tariff sheet, to become effective July 1, 1998.

Substitute Eighth Revised Sheet No. 5200

Koch states that it is submitting the above tariff sheet to restore language inadvertently changed in its June 2, 1998 tariff filing to comply with the letter order issued.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18177 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–225–001]

Koch Gateway Pipeline Company; Notice of Compliance Filing

July 2, 1998.

Take notice that on June 29, 1998, Koch Gateway Pipeline Company (Koch) tendered for filing as part of its FERC Gas Tariff, Fifth Revised Volume No. 1, the following tariff sheet, to be effective June 22, 1998.

Substitute Sixth Revised Sheet No. 1810

On May 22, 1998, Koch filed the Sixth Revised Sheet No. 1810 to the Fifth Revised Volume No. 1. The proposed revision reflected changes and clarifications to the calculation of the Average Storage Rate for the purposes of economically scheduling Interruptible Storage Service (ISS). On June 19, 1998, the Commission issued an Order Accepting Tariff Sheets Subject to Conditions rejecting Koch's proposed changes to the Average Storage Rate, while accepting Koch's proposed clarifications to the definition of the average fuel rate. Specifically, the Commission accepted Koch's valuation of fuel in the Average Storage Rate as the fuel reimbursement price posted monthly on Koch's EBB.

In compliance with the Commission's order of June 19, 1998, Koch submits for filing Substitute Sixth Revised Sheet No. 1810 to the Fifth Revised Volume No. 1 reinstating the previous provision for calculating the Average Storage Rate as stated on the Fourth Revised Sheet No. 1810. Also included is a provision defining the valuation of fuel in the Average Storage Rate as the fuel reimbursement price posted monthly on Koch's EBB.

Any person desiring to protest this filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with Section 385.211 of the Commission's Rules and Regulations. All such protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18187 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–261–000]

National Fuel Gas Supply Corporation; Notice of Proposed Changes in FERC Gas Tariff

July 2, 1998.

Take notice that on June 29, 1998, National Fuel Gas Supply Corporation (National Fuel) tendered for filing as part of its FERC Gas Tariff, Fourth Revised Volume No. 1, Second Revised Sheet No. 457 and First Revised Sheet No. 458, with a proposed effective date of August 1, 1998.

National Fuel states that the purpose of this filing is to incorporate Version 1.2 of the GISB Standards by reference in compliance with Order No. 587–G, Standards for Business Practices of Interstate Natural Gas Pipelines.

National Fuel states that it is serving copies of this filing with its firm customers and interested state commissions. National Fuel states that copies are being served on all interruptible customers as of the date of the filing.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public

inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18189 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–276–000]

Nautilus Pipeline Company, LLC; Notice of Proposed Changes in FERC Gas Tariff

July 2, 1998.

Take notice that on June 30, 1998, Nautilus Pipeline Company, LLC (Nautilus) tendered for filing as part of its FERC Gas Tariff, Original Volume No. 1, Second Revised Sheet No. 216, with an effective date of August 1, 1998.

Nautilus states that the filing is being made in compliance with Order No. 587–G issued by the Commission in Docket No. RM96–1–007. Nautilus states the purpose of this filing is to incorporate Version 1.2 of the Gas Industry Standards Board (GISB) standards into its tariff.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18170 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. OA96–194–004]

Niagara Mohawk Power Corporation; Notice of Filing

July 2, 1998.

Take notice that on June 4, 1998, Niagara Mohawk Power Corporation tendered for filing its compliance filing the above-referenced docket.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426 in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 18 CFR 385.214). All such motions or protests should be filed on or before July 13, 1998. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18206 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–272–000]

Nora Transmission Company; Notice of Proposed Changes in FERC Gas Tariff

July 2, 1998.

Take notice that on June 29, 1998, Nora Transmission Company (Nora) tendered for filing as part of its FERC Gas Tariff, First Revised Volume No. 1, the following revised tariff sheets to become effective August 1, 1998:

Second Revised Sheets No. 172
Second Revised Sheets No. 173

Nora states that the purpose of this filing is to comply with the Commission's Order No. 587–G issued on April 16, 1998 in Docket No. RM96–1–007 adopting new, revised and interpretation of the standards promulgated by the Gas Industry Standards Board (GISB). These standards require interstate natural gas pipelines to follow certain new and revised business practice procedures. The Commission directed pipelines to make a filing to change all references to GISB standards in their tariffs to Version 1.2 by August 1, 1998. This version number applies to all standards contained in GISB's Version 1.2 Standards Manuals, including standards that have not changed from the previous versions. In compliance, Nora filed to adopt Version 1.2 in Section 38 of its General Terms and Conditions.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18167 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. GT98–72–000]

Northwest Pipeline Corporation; Notice of Refund Report

July 2, 1998.

Take notice that on June 26, 1998, Northwest Pipeline Corporation (Northwest) tendered for filing a report of Gas Research Institute (GRI) refunds made to its customers.

Northwest states that on May 29, 1998 it received a refund from the GRI in the amount of $1,100,129, representing an overcollection of the 1997 GRI Tier 1 funding target level set for Northwest by GRI. On June 10, 1998, Northwest credited the GRI refund, pro rata, to its eligible firm customers who received nondiscounted service during 1997.

Northwest states that a copy of this filing has been served upon Northwest's affected customers and interested state regulatory commissions.

Any person desiring to be heard or to protest this filing should file a motion

to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed on or before July 9, 1998. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18179 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket Nos. RP93–5–029 and RP93–96–009]

Northwest Pipeline Corporation; Notice of Refund Report

July 2, 1998.

Take notice that on June 29, 1998, Northwest Pipeline Corporation (Northwest) filed a refund report pursuant to the Commission's Order Accepting Compliance Filing issued on April 21, 1998, in its Docket No. RP93–5 general rate proceeding.

Northwest states that the refund covers the period from April 1, 1993, through October 31, 1994.

Any person desiring to protest this filing should file a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Section 385.211 of the Commission's Rules and Regulations. All such protests must be filed on or before July 9, 1998. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18185 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–277–000]

OkTex Pipeline Company; Notice of Proposed Changes in FERC Gas Tariff

July 2, 1998.

Take notice that on June 30, 1998, OkTex Pipeline Company (OkTex), tendered for filing as part of its FERC Gas Tariff, Original Volume No. 1, the tariff sheets listed on Appendix A to the filing, with a proposed effective date of August 1, 1998.

OkTex states that the filing is being in compliance with the Commission's directives in Order No. 587–G.

OkTex states that the tariff sheets reflect the changes to OkTex's tariff that result from the Gas Industry Standards Board's (GISB) consensus standards that were adopted by the Commission in its April 16, 1998 Order No. 587–G in Docket No. RM96–1–007. OkTex further states that Order No. 587–G contemplates that OkTex will implement the GISB consensus standards for August 1998 business, and that the tariff sheets therefore reflect an effective date of August 1, 1998.

OkTex states that copies of the filing have been mailed to all affected customers and state regulatory commissions.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18171 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–264–000]

Overthrust Pipeline Company; Notice of Tariff Filing

July 2, 1998.

Take notice that on June 29, 1998, Overthrust Pipeline Company (Overthrust) tendered for filing as part of its FERC Gas Tariff, First Revised Volume No. 1–A, Second Revised Sheet Nos. 37A, 78A, 78B, 78C and Third Revised Sheet No. 78, to be effective August 1, 1998.

Overthrust states that the filing is being made in compliance with Order No. 587–G, Final Rule, issued April 16, 1998, in Docket No. RM96–1–007.

Overthrust states that this filing is made in accordance with the Commission's directive to implement, by August 1, 1998, (1) 18 CFR 284.10(b), which incorporates by reference the Version 1.2 GISB standards and (2) 18 CFR 284.10(c)(3) (ii) through (v) relating to the standards for information posted on pipeline web sites, the content of information provided electronically, the use of numeric designations and retention of electronic information.

Overthrust states further that it seeks waiver of § 284.10(c)(3)(iii) of the Commission's regulations requiring pipelines that use a numeric or other designation to represent information, to make available to users an electronic cross-reference table between the numeric or other designation and the information represented by that designation. Overthrust explains that its gas-management system has been designed to use DUNS numbers for EDI computer-to-computer communications, as required by the GISB standards.

Overthrust explains further that because Dunn and Bradstreet has not yet agreed to permit pipelines to publish a cross-reference table as required by this regulation, Overthrust respectfully seeks waiver of § 284.10(c)(3)(iii) of the Commission's regulations until (1) Dunn and Bradstreet permits the development of a cross-reference table, or (2) the industry develops its own cross-reference table or ceases using numeric designations and returns to using names.

Overthrust states that a copy of this filing has been served upon its customers, the Public Service Commission of Wyoming and the Public Service Commission of Utah.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the

Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, DC 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18191 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–263–000]

Questar Pipeline Company; Notice of Tariff Filing

July 2, 1998.

Take notice that on June 29, 1998, Questar Pipeline Company (Questar) tendered for filing as part of its FERC Gas Tariff, First Revised Volume No. 1, First Revised Sheet No. 46C, Second Revised Sheet Nos. 47A, 99A, 99B, 99C, 99D and Third Revised Sheet No. 47, to be effective August 1, 1998.

Questar states that the filing is being made in compliance with Order No. 587–G, Final Rule, issued April 16, 1998, in Docket No. RM96–1–007.

Questar states that this filing is made in accordance with the Commission's directive to implement, by August 1, 1998, (1) 18 CFR 284.10(b), which incorporates by reference the Version 1.2 GISB standards and (2) 18 CFR 284.10(c)(3) (ii) through (v) relating to the standards for information posted on pipeline web sites, the content of information provided electronically, the use of numeric designations and retention of electronic information.

Questar explains that it seeks waiver of § 284.10(c)(3)(iii) of the Commission's regulations requiring pipelines that use a numeric or other designation to represent information, to make available to users an electronic cross-reference table between the numeric or other designation and the information represented by that designation. Questar explains further that its gas-management system has been designed to use DUNS numbers for EDI computer-to-computer communications, as required by the GISB standards.

Questar also explains that because Dunn and Bradstreet has not yet agreed to permit pipelines to publish a cross-reference table as required by this regulation, Questar respectfully seeks waiver of § 284.10(c)(3)(iii) of the Commission's regulations until (1) Dunn and Bradstreet permits the development of a cross-reference table or (2) the industry develops its own cross-reference table or ceases using numeric designations and returns to using names.

Questar states that a copy of this filing has been served upon its customers, the Public Service Commission of Utah and the Public Service Commission of Wyoming.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18190 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–265–000]

Sabine Pipe Line Company; Notice of Compliance Filing

July 2, 1998.

Take notice that on June 29, 1998, Sabine Pipe Line Company (Sabine) tendered for filing the tariff sheets listed on Attachment A to the filing, to become effective August 1, 1998.

Sabine states that the purpose of this filing is to comply with the Commission's order issued April 16, 1998, in Docket No. RM96–1–007.

Sabine states that the instant filing reflects changes to the General Terms and Conditions of its Tariff required to implement standards issued by GISB and adopted by the Commission in Order No. 587–G issued April 16, 1998, in Docket No. RM96–1–007. The filing also implements changes required by Commission Regulations Section 284.10(c)(3) (ii) through (v), including posting to Sabine's Internet web site of information required by GISB Standard 4.3.6. Sabine is also implementing changes to its FERC Gas Tariff reflecting the adoption of Section 284.10(c)(3)(i) of the Regulations relating to communication of electronic information and transactions using the public Internet.

Sabine states that copies of this filing are being mailed to its customers, state commissions and other interested parties.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18161 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. MT98–13–000]

Tuscarora Gas Transmission Company; Notice of Proposed Changes in FERC Gas Tariff

July 2, 1998.

Take notice that on June 26, 1998, Tuscarora Gas Transmission Company (Tuscarora) tendered for filing as part of its FERC Gas Tariff, Original Volume No. 1, the following revised tariff sheets, effective July 26, 1998.

First Revised Sheet No. 63
First Revised Sheet No. 66
First Revised Sheet No. 67

Tuscarora states that it is submitting these minor tariff revisions to comply with its current understanding of the requirements of the Commission's regulations. The revised tariff sheets reflect (i) the addition of the requirement in Section 250.16(b) that Tuscarora orally respond within 48 hours to complaints from shippers or potential shippers, and (ii) the elimination of certain categories of information no longer required from an affiliated shipper for a valid service request pursuant to Order No. 566.

Tuscarora states that copies of its filing were mailed to all affected customers and the state commissions of Nevada, Oregon and California.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18184 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–268–000]

Viking Gas Transmission Company; Notice of Proposed Changes In FERC Gas Traffic

July 2, 1998.

Take notice that on June 29, 1998, Viking Gas Transmission Company (Viking) tendered for filing as part of its FERC Gas Tariff, First Revised Volume No. 1, the tariff sheets listed on Appendix A to the filing, with a proposed effective date of August 1, 1998.

Viking states that the purpose of this filing is to comply with the Commission's requirements set forth in Order No. 587–G, Standards for Business Practices of Interstate Natural Gas Pipelines, Docket No. RM96–1–007 issued on April 16, 1998. Under Order No. 587–G, the Commission incorporated by reference Version 1.2 of the Gas Industry Standards Board ("GISB") standards, including the following new standards: 1.4.6, 2.4.6, 4.3.5, 4.3.16, and 5.3.30. Pursuant to Order 587–G, Viking is filing to remove 4.3.4.

Viking states that copies of the filing have been mailed to all of its jurisdictional customers and to affected state regulatory commission.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Sections 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18163 Filed 7–8–98; 8:45 am]

BILLING CODE 6117–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. GT98–71–000]

Williston Basin Interstate Pipeline Company; Notice of Refund Report

July 2, 1998.

Take notice that on June 26, 1997, Williston Basin Interstate Pipeline Company (Williston Basin), tendered for filing with the Commission its Refund Report for 1997 Gas Research Institute (GRI) overcollections in compliance with the Commission's "Order Approving Refund Methodology for 1994 Overcollections" issued February 22, 1995 in GRI's Docket No. RP95–124–000.

Williston Basin states that on May 20, 1998, GRI filed with the Commission its "Revised Report on Refunds" in Docket No. RP98–217–001 in which it reported $160,236.00 was refunded to Williston Basin for 1997 GRI overcollections.

In addition, Williston Basin states that on June 11, 1998, refunds totaling $160,236.00 were sent to its applicable firm transportation shippers. Such refunds were based on the proportion of each applicable firm shipper's demand and commodity GRI charges paid during the 1997 calendar year to the total applicable firm shippers' GRI charges paid during the 1997 calendar year.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed on or before July 9, 1998. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18178 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. GT98–74–000]

Williston Basin Interstate Pipeline Company; Notice of Tariff Filing

July 2, 1998.

Take notice that on June 29, 1998, Williston Basin Interstate Pipeline Company (Williston Basin), tendered for filing as part of its FERC Gas Tariff, Second Revised Volume No. 1, the following revised tariff sheet to become effective June 29, 1998:

Second Revised Volume No. 1
Third Revised Sheet No. 724

Williston Basin states that the revised tariff sheet is being filed to reflect the removal of a non-conforming Service Agreement which terminated by its own terms on April 30, 1998.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations.

All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18181 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–269–000]

Wyoming Interstate Company, Ltd.; Notice of Proposed Changes in FERC Gas Tariff

July 2, 1998.

Take notice that on June 29, 1998, Wyoming Interstate Company, Ltd. (WIC), tendered for filing to become part of its FERC Gas Tariff, First Revised Volume No. 1, the tariff sheets listed in Appendix A to the filing, to be effective August 1, 1998.

WIC states that the purpose of this filing is to conform WIC's First Revised Volume No. 1 tariff to requirements of Order No. 587–G. As WIC's Volume No. 1 tariff is only for individually-certificated service, it is proposing to make these changes, and minor housekeeping changes related to capitalizing of defined terms, as a limited Section 4 tariff filing.

WIC further states that copies of this filing have been served on WIC's jurisdictional customers and public bodies.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18164 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. RP98–270–000]

Young Gas Storage Company, Ltd.; Notice of Proposed Changes in FERC Gas Tariff

July 2, 1998.

Take notice that on June 29, 1998, Young Gas Storage Company, Ltd. (Young), tendered for filing to become part of its FERC Gas Tariff, Original Volume No. 1, the tariff sheets listed in Appendix A to the filing, to be effective August 1, 1998.

Young states that the purpose of this compliance filing is to conform Young's tariff to requirements of Order No. 587–G that interstate pipelines transporting pursuant to Section 284.223 of the Commission's Regulations conform their tariffs to include Version 1.2 of the GISB Standards.

Young further states that copies of this filing have been served on Young's jurisdictional customers and public bodies.

Any person desiring to be heard or to protest this filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426, in accordance with Sections 385.214 and 385.211 of the Commission's Rules and Regulations. All such motions or protests must be filed as provided in Section 154.210 of the Commission's Regulations. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection in the Public Reference Room.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18165 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–M

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. EG98–88–000, et al.]

East Syracuse Generating Company, L.P., et al. Electric Rate and Corporate Regulation Filings

June 29, 1998.

Take notice that the following filings have been made with the Commission:

1. East Syracuse Generating Company, L.P.

[Docket No. EG98–88–000]

Take notice that on June 16, 1998, East Syracuse Generating Company, L.P. (Applicant), with its principal office at 7500 Old Georgetown Road, 13th Floor, Bethesda, Maryland 20814–6161, filed with the Federal Energy Regulatory Commission an application for determination of exempt wholesale generator status pursuant to Part 365 of the Commission's Regulations.

Applicant states that it will be engaged in owning and operating the East Syracuse project consisting of a 101 megawatt cogeneration facility located in East Syracuse, New York (the Eligible Facility) and selling electric energy exclusively at wholesale. Electric energy produced by the Eligible Facility is sold exclusively at wholesale.

Comment date: July 17, 1998, in accordance with Standard Paragraph E at the end of this notice. The Commission will limit its consideration of comments to those that concern the adequacy or accuracy of the application.

2. Reliable Energy, Inc.

[Docket No. ER98–3261–000]

Take notice that on June 24, 1998, Reliable Energy, Inc., amended its Petition dated June 5, 1998, for acceptance of Reliable Energy, Inc's, FERC Rate Schedule No. 1; the granting of certain blanket approvals, including the authority to sell electricity at market based rates; and the waiver of certain Commission Regulations.

Reliable Energy, Inc., intends to engage in wholesale electric power and energy purchases and sales as a marketer. Reliable Energy is not in the business of generating or transmitting electric power. Reliable Energy is a New Jersey corporation. It will act as power marketer and will also engage in other non-jurisdictional activities to facilitate efficient trade in the bulk power market such as power brokering, load aggregation, metering, energy management and consulting.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

3. Delmarva Power & Light Company

[Docket No. ER98–3464–000]

Take notice that on June 24, 1998, Delmarva Power & Light Company (Delmarva), tendered for filing 2nd Revised Supplement No. 9 to FERC Rate Schedule No. 99, with respect to Delmarva's partial requirements service agreement with the City of Seaford. The proposed change would decrease base demand and energy rates by 2.28%.

Delmarva proposes an effective date of March 1, 1998. Delmarva asserts that the decrease and the proposed effective date are in accord with the service agreement with the City of Seaford which provides for changes in rates that correspond to the level of changes in rates approved by the Delaware Public Service Commission for Delmarva's non-residential retail customers.

Copies of the filing were served on the City of Seaford and the Delaware Public Service Commission.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

4. Delmarva Power & Light Company

[Docket No. ER98–3465–000]

Take notice that on June 24, 1998, Delmarva Power & Light Company (Delmarva), tendered for filing a new Supplement No. 9 to FERC Rate Schedule No. 110, with respect to Delmarva's full requirements service agreement with the Town of Berlin. The proposed change would decrease base demand and energy rates by 2.77%.

Delmarva proposes an effective date of March 1, 1998. Delmarva asserts that the decrease and the proposed effective date are in accord with the service agreement with the Town of Berlin which provides for changes in rates that correspond to the level of changes in rates approved by the Maryland Public Service Commission for Delmarva's non-residential retail customers.

Copies of the filing were served on the Town of Berlin and the Maryland Public Service Commission.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

5. Southwestern Public Service Company

[Docket No. ER98–3466–000]

Take notice that on June 24, 1998, New Century Services, Inc., on behalf of Southwestern Public Service Company (Southwestern), tendered for filing an executed Umbrella Service Agreement under Southwestern's market-based sales tariff with Lubbock Power & Light (LP&L). This Umbrella Service Agreement provides for Southwestern's sale and LP&L's purchase of capacity and energy at market-based rates pursuant to Southwestern's market-based sales tariff.

Southwestern requests that the Service Agreement become effective on June 19, 1998.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

6. Southwestern Public Service Company

[Docket No. ER98–3467–000]

Take notice that on June 24, 1998, New Century Services, Inc., on behalf of Southwestern Public Service Company (Southwestern), tendered for filing an executed Umbrella Service Agreement under Southwestern's market-based sales tariff with Williams Energy Services Company (Williams). This umbrella service agreement provides for Southwestern's sale and Williams' purchase of capacity and energy at market-based rates pursuant to Southwestern's market-based sales tariff.

Southwestern requests that the service agreement become effective July 1, 1998.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

7. Southwestern Public Service Company

[Docket No. ER98–3468–000]

Take notice that on June 24, 1998, New Century Services, Inc., on behalf of Southwestern Public Service Company (Southwestern), submitted an executed umbrella service agreement under Southwestern's market-based sales tariff with Southern Company Energy Marketing, L.P., (Southern). This Umbrella Service Agreement provides for Southwestern's sale and Southern's purchase of capacity and energy at market-based rates pursuant to Southwestern's market-based sales tariff.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

8. Commonwealth Edison Company

[Docket No. ER98–3469–000]

Take notice that on June 24, 1998, Commonwealth Edison Company (ComEd), tendered for filing a Service Agreement For Network Integration Transmission Service between ComEd and the Illinois Municipal Electric Agency (IMEA), and a Network Operating Agreement between ComEd and the IMEA under the terms of ComEd's Open Access Transmission Tariff (OATT).

ComEd requests an effective date of June 1, 1998, for these two service agreements, and accordingly, seeks waiver of the Commission's notice requirements.

Copies of this filing were served on the IMEA, and the Illinois Commerce Commission.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

9. Great Bay Power Corporation

[Docket No. ER98–3470–000]

Take notice that on June 24, 1998, Great Bay Power Corporation (Great Bay), filed to amend its Market-Based Power Sales Tariff and for certain waivers typically granted to market-based rate sellers such as Great Bay. Great Bay Market-Based Power Sales Tariff is on file with the Commission as Great Bay Power Corporation, FERC Electric Tariff, Original Volume No. 2, and was accepted for filing by the Commission by letter order dated May 17, 1996 in Docket No. ER96–726–000. Great Bay requests an effective date of 30 days after this filing.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

10. Northern Indiana Public Service Company

[Docket No. ER98–3471–000]

Take notice that on June 24, 1998, Northern Indiana Public Service Company (Northern Indiana), filed a Service Agreement pursuant to its Power Sales Tariff with Illinois Power Company (Illinois Power). Northern Indiana and Illinois Power have requested that the Service Agreement be allowed to become effective as of June 30, 1998.

Copies of this filing have been sent to Illinois Power Company, to the Indiana Utility Regulatory Commission, and to the Indiana Office of Utility Consumer Counselor.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

11. Central Maine Power Company

[Docket No. ER98–3472–000]

Take notice that on June 24, 1998, Central Maine Power Company (CMP), tendered for filing an executed Market-Base Power Sales Schedule II Service Agreement for sale of capacity and or energy entered into with Montaup Electric Company. Service will be

provided pursuant to CMP's Wholesale Market Tariff, designated rate schedule CMP—FERC Electric Tariff, Original Volume No. 4.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

12. Central Maine Power Company

[Docket No. ER98–3473–000]

Take notice that on June 24, 1998, Central Maine Power Company (CMP), tendered for filing an executed service agreement for sale of capacity and or energy entered into with Scana Energy Marketing, Inc. Service will be provided pursuant to CMP's Wholesale Market Tariff, designated rate schedule CMP—FERC Electric Tariff, Original Volume No. 4.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

13. Central Maine Power Company

[Docket No. ER98–3474–000]

Take notice that on June 24, 1998, Central Maine Power Company (CMP), tendered for filing an executed service agreement for sale of capacity and/or energy entered into with Long Island Lighting Co. Service will be provided pursuant to CMP's Wholesale Market Tariff, designated rate schedule CMP—FERC Electric Tariff, Original Volume No. 4.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

14. Central Maine Power Company

[Docket No. ER98–3475–000]

Please take notice that on June 24, 1998, Central Maine Power Company (CMP), tendered for filing an executed service agreement for sale of capacity and/or energy entered into with UNITIL Power Corp. Service will be provided pursuant to CMP's Wholesale Market Tariff, designated rate schedule CMP—FERC Electric Tariff, Original Volume No. 4.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

15. Northeast Utilities Service Company

[Docket No. ER98–3476–000]

Take notice that on June 24, 1998, Northeast Utilities Service Company (NUSCO), tendered for filing, on behalf of The Connecticut Light and Power Company (CL&P) and Holyoke Water Power Company, (including its wholly-owned subsidiary, Holyoke Power and Electric Company), together NU Companies, a Power Sales Agreement between NUSCO, as agent for NU Companies and the Town of Merrimac Municipal Light Department, dated June 16, 1998, in accordance with Section 205 of the Federal Power Act and Rule 35.13 of the Commission's Regulations.

NUSCO requests that the rate schedule become effective on July 1, 1998.

NUSCO states that copies of the rate schedule have been mailed to the parties to the Agreement, and the affected state utility commission.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

16. Northeast Utilities Service Company

[Docket No. ER98–3477–000]

Take notice that on June 24, 1998, Northeast Utilities Service Company (NUSCO), tendered for filing on behalf of The Connecticut Light and Power Company (CL&P) and Holyoke Water Power Company, (including its wholly-owned subsidiary, Holyoke Power and Electric Company), together NU Companies, a Power Sales Agreement between NUSCO, as agent for the NU Companies and the Town of Groveland Municipal Light Department, dated June 16, 1998 in accordance with Section 205 of the Federal Power Act and Rule 35.13 of the Commissions Regulations.

NUSCO requests that the rate schedule become effective on July 1, 1998. NUSCO states that copies of the rate schedule have been mailed to the parties to the Agreement, and the affected state utility commission.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

17. Infinergy Services, LLC

[Docket No. ER98–3478–000]

Take notice that on June 24, 1998, in accordance with 18 CFR 131.51, and Part 35.16 of the Commission Regulations regarding Notice of Succession in Ownership or Operation, INFINERGY Services, LLC, by letter dated June 15, 1998, notified the Commission that it hereby adopts, ratifies, and makes its own, in every respect all applicable rate schedules heretofore filed with the Federal Energy Regulatory Commission by Power Marketing Coal Services, Inc., in Docket No. ER97–1548.

The effective date of this change is June 15, 1998, and is effective for all power sales and purchase agreements between Power Marketing Coal Services, Inc., and other parties.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

18. Arizona Public Service Company

[Docket No. ER98–3479–000]

That notice that on June 24, 1998, Arizona Public Service Company (APS), tendered for filing revised Exhibits A and C to APS–FERC Rate Schedule No. 225, between APS and Citizens Utilities Company (Citizens), for the Operating Years 1997 and 1998.

Current rate levels are unaffected, revenue levels are unchanged from those currently on file with the Commission, and no other significant change in service to these or any other customer results from the revisions proposed herein. No new or modifications to existing facilities are required as a result of these revisions.

Copies of this filing have been served on Citizens and the Arizona Corporation Commission.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

19. American Electric Power Service Corporation

[Docket No. ER98–3480–000]

Take notice that on June 24, 1998, the American Electric Power Service Corporation (AEPSC), as agent for the operating utility subsidiaries of American Electric Power Company, Inc. (AEP Companies), tendered for filing Power Sales Tariff Service Agreements under the Wholesale Market Tariff of the AEP Operating Companies (Power Sales Tariff). The Power Sales Tariff was accepted for filing effective October 10, 1997 and has been designated AEP Operating Companies' FERC Electric Tariff, Original Volume No. 5.

AEPSC respectfully requests waiver of notice to permit the service agreements submitted with this filing to be made effective for service billed on or after May 29, 1998, with the exception of the service agreement with Questar Energy Trading, where an effective date of May 19, 1998, had been requested.

A copy of the filing was served upon the Parties and the State Utility Regulatory Commissions of Indiana, Kentucky, Michigan, Ohio, Tennessee, Virginia and West Virginia.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

20. Consumers Energy Company

[Docket No. ER98–3481–000]

Take notice that on June 24, 1998, Consumers Energy Company (Consumers), tendered for filing an executed service agreement for Non-Firm Point-to-Point Transmission Service pursuant to the Joint Open Access Transmission Service Tariff filed

on December 31, 1996, by Consumers and The Detroit Edison Company (Detroit Edison), with Morgan Stanley Capital Group Inc.

The service agreement filed qualifies for waiver of notice requirements pursuant to July 30, 1993, order issued by the Commission.

Consumers requests that such waiver be granted and that the Service Agreement be allowed to become effective June 16, 1998.

Copies of the filed agreement were served upon the Michigan Public Service Commission, Detroit Edison and the transmission customer.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

21. Washington Water Power Company

[Docket No. ER98–3482–000]

Take notice that on June 24, 1998, Washington Water Power Company, tendered for filing with the Federal Energy Regulatory Commission pursuant to 18 CFR 35.13, unexecuted Service Agreements under WWP's FERC Electric Tariff First Revised Volume No. 9, with Constellation Power Source, Inc., and MIECO, Inc.

WWP requests waiver of the prior notice requirements and that the unexecuted Service Agreements become effective July 1, 1998.

Comment date: July 14, 1998, in accordance with Standard Paragraph E at the end of this notice.

Standard Paragraph

E. Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 18 CFR 385.214). All such motions or protests should be filed on or before the comment date. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of these filings are on file with the Commission and are available for public inspection.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18210 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER98–3483–000, et al.]

Rochester Gas and Electric Corporation, et al. Electric Rate and Corporate Regulation Filings

June 30, 1998.

Take notice that the following filings have been made with the Commission:

1. Rochester Gas and Electric Corporation

[Docket No. ER98–3483–000]

Take notice that on June 25, 1998, Rochester Gas and Electric Corporation (RG&E), filed a service agreement between RG&E and Williams Energy Services Company (Customer). This Service Agreement specifies that the Customer has agreed to the rates, terms and conditions of RG&E's Market-Based Rate Tariff, FERC Electric Rate Schedule, Original Volume No. 3 (Market Based Power Sales Tariff) accepted by the Commission in Docket No. ER97–3553–000 (80 FERC ¶ 61,284) (1997)).

RG&E requests waiver of the Commission's sixty (60) day notice requirements and an effective date of June 22, 1998, for and Williams Energy Services Company Service Agreement.

RG&E has served copies of the filing on the New York State Public Service Commission and on the Customer.

Comment date: July 15, 1998, in accordance with Standard Paragraph E at the end of this notice.

2. Northern States Power Company (Minnesota); Northern States Power Company (Wisconsin)

[Docket No. ER98–2640–001]

Take notice that on June 25, 1998, Northern States Power Company (Minnesota) and Northern States Power Company (Wisconsin) (collectively referred to as NSP), submitted its Market-Based Electric Services Tariff in compliance with the Commission's June 12, 1998, order in the above-referenced docket.

Comment date: July 15, 1998, in accordance with Standard Paragraph E at the end of this notice.

3. American Electric Power Service Corporation

[Docket No. ER98–3484–000]

Take notice that on June 25, 1998, the American Electric Power Service Corporation (AEPSC), tendered for filing executed service agreements with Merchant Energy Group of the Americas, Inc., Snohomish Public Utility District, Southern Company Energy Marketing, L.P., and Southern Company Services, Inc., as agent for Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company, and Savannah Electric and Power Company, under the Wholesale Market Tariff of the AEP Operating Companies (Power Sales Tariff). The Power Sales Tariff was accepted for filing effective October 10, 1997 and has been designated AEP Operating Companies' FERC Electric Tariff, Original Volume No. 5.

AEPSC respectfully requests waiver of Commission notice requirements and requests that the service agreements with Merchant Energy Group of Americas Inc., become effective May 8, 1998, Snohomish Public Utility District become effective May 2, 1998, Southern Company Services, Inc., become effective May 20, 1998, and Southern Company Energy Marketing, L.P., become effective May 19, 1998.

A copy of the filing was served upon the Parties and the State Utility Regulatory Commissions of Indiana, Kentucky, Michigan, Ohio, Tennessee, Virginia and West Virginia.

Comment date: July 15, 1998, in accordance with Standard Paragraph E at the end of this notice.

4. UtiliCorp United Inc.

[Docket No. ER98–3485–000]

Take notice that on June 25, 1998, UtiliCorp United Inc. (UtiliCorp), filed service agreements with VTEC Energy, Inc., for service under its Non-Firm Point-to-Point open access service tariff for its operating divisions, Missouri Public Service, WestPlains Energy-Kansas and WestPlains Energy-Colorado.

UtiliCorp requests that the service agreements become effective on June 25, 1998, in order to comply with the Commission's filing requirements.

A copy of this filing has been served upon the Missouri Public Service Commission, Kansas Corporation Commission, Colorado Public Utilities Commission and VTEC Energy Inc.

Comment date: July 15, 1998, in accordance with Standard Paragraph E at the end of this notice.

5. UtiliCorp United Inc.

[Docket No. ER98–3486–000]

Take notice that on June 25, 1998, UtiliCorp United Inc. (UtiliCorp), filed a service agreement with Basin Electric Power Cooperative for service under its Non-Firm Point-to-Point open access service tariff for its operating division, WestPlains Energy-Colorado.

UtiliCorp requests that the service agreement become effective on June 25, 1998, in order to comply with the Commission's notice requirements.

A copy of this filing has been served upon the Colorado Public Utilities Commission and Basin Electric Power Cooperative.

Comment date: July 15, 1998, in accordance with Standard Paragraph E at the end of this notice.

6. Central Hudson Gas & Electric Corporation

[Docket No. ER98–3488–000]

Take notice that on June 25, 1998, Central Hudson Gas & Electric Corporation (Central Hudson), tendered for filing a proposed amendment to its Power Sales Tariff on file in Docket No. ER97–890 to permit sales to its power marketing affiliate, Central Hudson Enterprise Corporation (CHEC). Central Hudson has also submitted for filing a Power Sales Agreement with CHEC.

Central Hudson requests waiver of the Commission's notice requirements to permit the amendment to its Power Sales Tariff and its Power Sales Agreement to become effective August 1, 1998.

Comment date: July 15, 1998, in accordance with Standard Paragraph E at the end of this notice.

Standard Paragraph:

E. Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 888 First Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 18 CFR 385.214). All such motions or protests should be filed on or before the comment date. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of these filings are on file with the Commission and are available for public inspection.

David P. Boergers,

Acting Secretary.

[FR Doc. 98–18205 Filed 7–8–98; 8:45 am]

BILLING CODE 6717–01–P

ENVIRONMENTAL PROTECTION AGENCY

[FRL–6121–8]

Change in Minimum Oxygen Content Requirement for Reformulated Gasoline

AGENCY: Environmental Protection Agency.

ACTION: Notice.

SUMMARY: EPA's reformulated gasoline (RFG) program contains various standards for RFG, including an oxygen content standard. When the RFG program was implemented, the per-gallon minimum standard applicable to RFG in all covered areas was 1.5% by weight. In 1997, pursuant to the RFG regulations, EPA increased this standard by 0.1% to 1.6% by weight for several of the RFG covered areas (and for certain refineries, importers and blenders) because these areas failed a series of compliance surveys for oxygen content in 1996. Certain covered areas have failed the oxygen compliance survey series for 1997, and EPA is increasing the per-gallon minimum standard applicable to these areas by 0.1%. Since the previous increases remain in effect, the per-gallon minimum oxygen requirement in all but one of these areas failing in 1997 will increase to 1.7% by weight. This notice announces the increased standard, and describes the covered areas and parties that are subject to the increased standard. The increased standard will help ensure that all covered areas receive the full benefit of the oxygen content requirement in the RFG program.

FOR FURTHER INFORMATION CONTACT: Stuart Romanow, Fuels and Energy Division, Office of Mobile Sources, Environmental Protection Agency, Washington D.C. (6406J) 202–564–9296.

SUPPLEMENTARY INFORMATION:

I. Regulatory Entities

Regulatory categories and entities potentially affected by this action include:

Category	Examples of affected entities
Industry	Refiners, importers, oxygenate blenders of reformulated gasoline.

This table is not intended to be exhaustive, but rather provides a guide for readers regarding entities likely to be affected by this action. This table lists the types of entities that EPA is now aware could be potentially affected by this action. Other types of entities not listed in the table could also be affected. To determine whether your entity is affected by this action, you should carefully examine the existing provisions at 40 CFR 80.41. If you have questions regarding the applicability of this action to a particular entity, consult the person listed in the preceding **FOR FURTHER INFORMATION CONTACT** section.

II. Background

Section 211(k) of the Clean Air Act requires that EPA establish standards for reformulated gasoline (RFG) to be used in specified ozone nonattainment areas (covered areas). The RFG requirements contain performance standards for reductions of emissions from motor vehicles of ozone forming volatile organic compounds and toxic pollutants.

Standards for RFG are contained in 40 CFR 80.41. Refiners and other parties subject to the standards can choose to comply on either a per gallon basis or to comply on average. The standards for compliance on average ("averaged standards") are numerically more stringent than the per gallon standards. The averaged standards for RFG are contained in § 80.41(b). These averaged standards include a per-gallon minimum requirement of 1.5 weight percent oxygen. This 1.5% per-gallon minimum oxygen requirement initially applied to all refineries, importers and blenders of RFG who elected to comply with the averaged standard for oxygen. However, as a result of oxygen survey series failures in 1996, EPA required that certain refineries, importers and blenders comply with a 1.6% minimum, beginning on September 29, 1997.[1] (The survey process and the consequences of oxygen survey series failures are described below.) The per-gallon minimum requirement is in addition to the requirement for 2.1 weight percent oxygen, on average. The average standard for oxygen must be met by a refiner or oxygenate blender for all of the RFG it produced at a refinery or blending facility, or for RFG imported by an importer, but these parties are not required to meet this standard for the RFG supplied to each covered area separately.

Any refiner, importer or oxygenate blender has the option of meeting the RFG standards on average or per gallon. If a party is subject to the averaged standards, then the requirement to conduct surveys, as specified in § 80.68, must be satisfied. In these surveys, RFG samples are collected at retail gasoline

[1] See "Change in Minimum Oxygen Requirement for Reformulated Gasoline" 62 FR 41047 (July 31, 1997).

stations within covered areas and analyzed to determine if the RFG supplied to each covered area meets certain survey pass/fail criteria specified in § 80.68. An oxygen survey series failure occurs in a covered area if the annual average oxygen content for all of the samples is less than 2.00 weight percent. The purpose of the surveys and the tightened standards which result if a survey is failed is to ensure that averaging over a refiner's entire production as compared to separate averaging for each covered area does not lead to the reduced quality of RFG in any covered area.

Since the implementation of the RFG program in 1995, these surveys have been conducted by the RFG Survey Association, a not-for-profit association of refiners, importers and blenders, using an EPA-approved survey design plan as required in the regulations. By letter dated January 30, 1998, the RFG Survey Association reported to EPA the results of its surveys for 1997, indicating that several survey areas failed to meet the annual average requirements of 2.00% oxygen by weight.[2] After reviewing the data EPA determined that 7 areas did fail the survey series for oxygen content.[3]

The following covered areas failed the oxygen survey series:

1. Baltimore, MD area [§ 80.70(g)].
2. Houston-Galveston-Brazoria, TX area [§ 80.70(h)].
3. The entire State of Rhode Island [§ 80.70(j)(12)].
4. The Dallas-Fort Worth, TX area comprised of [§ 80.70(j)(13)]:

Collin County
Dallas County
Denton County
Tarrant County

5. Norfolk-Virginia Beach-Newport News (Hampton Roads), VA area comprised of [§ 80.70(j)(14)]:

Chesapeake
Hampton
James City County
Newport News
Norfolk
Poquoson
Portsmouth
Suffolk
Virginia Beach
Williamsburg
York County

6. Richmond, VA area comprised of [§ 80.70(j)(14)]:

Charles City County
Chesterfield County
Colonial Heights
Hanover County
Henrico County
Hopewell
Richmond

7. Washington D.C. area comprised of [§ 80.70(j)(2), (j)(6), (j)(14)]:

The District of Columbia
Calvert County, MD
Charles County, MD
Frederick County, MD
Montgomery County, MD
Prince Georges County, MD
Alexandria, VA
Arlington County, VA
Fairfax, VA
Fairfax County, VA
Falls Church, VA
Loudoun County, VA
Manassas, VA
Manassas Park, VA
Prince William County, VA
Stafford County, VA

The boundaries of the covered areas are described in detail in § 80.70.

Under § 80.41(o), when a covered area fails an oxygen content survey series, the minimum oxygen content requirement for that covered area is made more stringent by increasing the per gallon minimum oxygen content standard for affected RFG subject to the averaging standard by 0.1%. This more stringent requirement applies beginning the year following the year of the failure. A more stringent requirement remains in effect for a covered area unless the area passes all oxygen content survey series in two consecutive years. Therefore, with the exception of the entire State of Rhode Island, the minimum per gallon oxygen requirement for the areas listed above is increased from 1.6% to 1.7% by weight. The minimum per gallon oxygen requirement for the entire State of Rhode Island is increased from 1.5% to 1.6% by weight. In addition, the minimum per gallon oxygen requirement for the Philadelphia-Wilmington-Trenton area and the Atlantic City, NJ area (Atlantic County and Cape May County), which failed oxygen content survey series in 1996, remains at 1.6% by weight.

The criteria identifying the refineries, importers and oxygenate blenders subject to adjusted standards are stated in § 80.41(q). In general, adjusted standards apply to RFG that is subject to an averaging standard ("averaged RFG") that is produced at a refinery or oxygenate blending facility if any averaged RFG from that refinery or facility supplied a failed covered area during 1996, or supplies the covered area during any year that the more stringent standards are in effect. The regulation provides for an exception based on certain volume limits [see 40 CFR § 80.41(q)(1)(iii)].

Thus, if a refiner has elected for a refinery to be subject to the average oxygen standard, and if even a small portion of the RFG produced at the refinery is used in an area subject to an oxygen ratchet, the entire volume of RFG produced at the refinery is subject to the more stringent oxygen standard regardless of which area receives the RFG. This result is true regardless of whether the refinery's gasoline was supplied to the city in question during 1997 or during a year when the more stringent oxygen standard applies.

Under § 80.41(q)(2), the applicability of adjusted standards to imported averaged RFG is specified by the Petroleum Administration for Defense District (PADD) in which the covered area is located and the PADD where the gasoline is imported. The covered areas that had oxygen survey series failures are located in PADDs I and III. Therefore, all RFG imported at facilities located in PADDs I, II, III or IV is subject to the adjusted oxygen standard. The states included in each PADD are identified in § 80.41(r). In addition, if any RFG imported into any other PADD supplies any of the covered areas with oxygen survey failures, the adjusted standard applies to that RFG, as well.

Under § 80.41(q)(3), any gasoline that is transported in a fungible manner by a pipeline, barge or vessel is considered to have supplied each covered area that is supplied with any gasoline by that pipeline, barge or vessel shipment unless the refiner or importer is able to establish that the gasoline it produced or imported was supplied only to a smaller number of covered areas.

Consider, for example, gasoline transported on the Colonial Pipeline, which supplies RFG to several cities that failed the oxygen survey in 1997. If a refinery's RFG was transported by the Colonial Pipeline any time during 1997, or any time during any year when the more stringent oxygen standard applies, the more stringent oxygen standard applies to all RFG produced at the refinery regardless of the market. In addition, there is a presumption that, due to fungible mixing, each refinery's RFG that is transported by the Colonial Pipeline is in part supplied to each city supplied by the Colonial Pipeline. This presumption is rebuttable, but the rebuttal normally would require a refiner to have transported its RFG in a non-fungible manner. Thus, the more stringent standard applies to a refinery whose gasoline is transported on the

[2] Letter dated January 30, 1998 from Frank C. Lenski, President, RFG Survey Association, to Charles Freed, Director, Fuels and Energy Division, EPA.

[3] Letter dated March 4, 1998 from Charles Freed, EPA, to Frank Lenski, RFG Survey Association. Also see Memorandum dated March 20, 1998 from Stuart Romanow, Mechanical Engineer, Fuels and Energy Division to Charles Freed.

Colonial Pipeline regardless of whether the refiner takes delivery of RFG in the specific cities that failed the oxygen survey.

The adjusted oxygen standard applies to all averaged RFG produced by a refinery or imported by an importer identified in § 80.41(q). In accordance with § 80.41(p), the effective date of this change is October 7, 1998.

Thus, under § 80.41(p) the more stringent oxygen standard applies at all points of the distribution system beginning on October 7, 1998, including terminals supplying the affected covered areas and retail outlets in the covered areas. However, EPA believes it may be difficult for all regulated parties to transition to the new oxygen standard by October 7, 1998. As a result, EPA intends to enforce the new oxygen standard in a manner that gives parties additional time. Refiners, importers, and oxygenate blenders will be required to meet the new oxygen standard beginning October 7, 1998. In the case of parties other than refiners, importers, oxygenate blenders, retailers and wholesale purchaser-consumers, (e.g., pipelines and terminals supplying gasoline to affected covered areas) EPA will enforce the new oxygen standard beginning December 7, 1998.[4] In the case of retail outlets and wholesale purchaser-consumer facilities located in the affected covered areas EPA will enforce the new oxygen standard beginning January 5, 1999. EPA has initiated a rulemaking to revise § 80.41(p) to reflect the need for additional downstream transition time when a standard is changed.

Dated: June 9, 1998.

Richard D. Wilson,

Acting Assistant Administrator for Air and Radiation.

Sylvia K. Lowrance,

Acting Assistant Administrator for Enforcement and Compliance Assurance.

[FR Doc. 98–18080 Filed 7–8–98; 8:45 am]

BILLING CODE 6560–50–P

[4] This supersedes the timing of the enforcement of the downstream oxygen standards discussed in "RFG/Anti-Dumping Questions and Answers, November 12, 1996". See question and answer under topic "SURVEYS 11/12/96".

ENVIRONMENTAL PROTECTION AGENCY

[FRL–6122–5]

Proposed Prospective Purchaser Agreement Pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as Amended by the Superfund Amendments and Reauthorization Act, National Mine Tailings Pile Superfund Site, Park Hills, Missouri

AGENCY: Environmental Protection Agency.

ACTION: Proposal of CERCLA Prospective Purchaser Agreement for the National Mine Tailings Pile Superfund Site.

SUMMARY: Notice is hereby given that a proposed prospective purchaser agreement associated with the National Mine Tailings Pile Superfund Site, located in Park Hills, St. Francois, Missouri, was executed by the Agency on May 13, 1998, and concurred upon by the United States Department of Justice on June 9, 1998. The Site is part of an inactive lead and zinc mining area known as The Old Lead Belt. The agreement, between Classic Equine Equipment, Inc. ("the purchaser") and the United States Environmental Protection Agency ("EPA"), is subject to final approval after the comment period. The Prospective Purchaser Agreement would resolve certain potential EPA claims under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986 ("CERCLA").

Under this proposed agreement, the purchaser would be required to grade the property, cover it with stone, gravel, topsoil and grass and maintain the integrity of the surface so that no mining wastes remain at the ground surface and the potential for erosion is minimized.

The settlement also requires the purchaser to: restrict the use of groundwater; limit human or animal exposure to hazardous substances at the Site; ensure non-interference with the performance, operation, and maintenance of any selected response action; and ensure the integrity and effectiveness of any selected environmental response action, including monitoring of groundwater, soils, and sediments.

The purchaser is required to grant access to the property to EPA, its authorized officers, employees, representatives, and all other persons performing response actions under EPA oversight. If the purchaser fails to comply with the terms of the Agreement and Covenant Not to Sue, the purchaser would be liable for all litigation and other enforcement costs incurred by the United States to enforce this Agreement.

DATES: Comments must be submitted on or before August 10, 1998.

ADDRESSES: *Availability:* The proposed settlement is available for public inspection at the U.S. Environmental Protection Agency, Region VII, 726 Minnesota Avenue, Kansas City, Kansas 66101. A copy of the proposed agreement may be obtained from Jack Generaux, Remedial Project Manager, U.S. Environmental Protection Agency, Region VII, 726 Minnesota Avenue, Kansas City, Kansas 66101. Comments should reference "The National Mine Tailings Pile Site Prospective Purchaser Agreement" and should be forwarded to Jack Generaux, at the above address.

For thirty (30) days following the date of publication of this notice, the Agency will receive written comments relating to the proposed settlement. The Agency's response to any comments received will be available for public inspection at the U.S. Environmental Protection Agency, Region VII, 726 Minnesota Avenue, Kansas City, Kansas 66101.

FOR FURTHER INFORMATION CONTACT: Dave Cozad, Branch Chief, Office of Regional Counsel, United States Environmental Protection Agency, Region VII, 726 Minnesota Avenue, Kansas City, Kansas 66101, (913) 551–7587.

Dated: June 29, 1998.

Dennis Grams, P.E.,

Regional Administrator, Region VII.

[FR Doc. 98–18086 Filed 7–8–98; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[FRL–6122–9]

Internet Availability of 1996 Production/Capacity Data in the Sector Facility Indexing Project

AGENCY: Environmental Protection Agency.

ACTION: Notice of availability.

SUMMARY: The Environmental Protection Agency (EPA) plans to include current environmental information in the Sector Facility Indexing Project (SFIP) as it becomes available. To that end, chemical release and transfer estimates for calendar year 1996 are now available from the Toxics Release Inventory. As the Agency incorporates the 1996 TRI

data into SFIP, EPA is also working to include the 1996 production/capacity data because this is now the most relevant measure of facility size. As a result, the ratio of TRI releases and transfers/production will now include the 1996 production data. The 1996 year production or production capacity data for each of the SFIP facilities are now available on the SFIP Internet website with two exceptions:

(1) If a facility provided adequate documentation to support a change in its 1995 production value, this value is retained for 1996.

(2) If 1996 production/capacity information is not available, but 1995 year information is available and the facility is known to be in full operation.

The production or production capacity data are available for review and comment by the facilities. As was done during the data quality assurance review undertaken in the Fall of 1997, facilities may request a change in the production/capacity values by submitting a written request along with supporting documentation to the address below. Note that the basis of this value will not be changed (e.g., from capacity to actual production). All submissions should be postmarked by July 17, 1998, and sent to: SFIP, 55 Wheeler Street, Cambridge, MA 02138.

DATES: The 1996 production/capacity information to be incorporated within the SFIP is currently available for facility review until July 17, 1998.

ADDRESSES: Data may be accessed electronically via the Internet at the following address: http://www.epa.gov/oeca/sfi

FOR FURTHER INFORMATION CONTACT: Robert Lischinsky, U.S. Environmental Protection Agency, Office of Compliance (2223–A), 401 M Street, SW, Washington, DC 20460; telephone: (202)564–2628, fax: (202)564–0050; e-mail: lischinsky.robert@epa.gov

Dated: July 2, 1998.

Mamie Miller,

Branch Chief, Manufacturing Branch, Manufacturing Energy & Transportation Div, Office of Compliance.

[FR Doc. 98–18273 Filed 7–8–98; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL COMMUNICATIONS COMMISSION

Commission To Hold Bandwidth en banc Hearing July 9, 1998

June 30, 1998.

The Federal Communications Commission will hold an en banc hearing on Thursday, July 9, 1998, from 11:00 a.m. to 1:00 p.m., in the Commission Meeting Room (Room 856) at 1919 M. Street, NW., Washington, DC.

At the en banc hearing, the Commission will hear from panels of experts regarding bandwidth issues in the last mile of our nation's telecommunications infrastructure and in connectivity to and between our nation's small and rural communities. The panelists will also address how these issues impact the deployment of advanced telecommunications capabilities and broadband technologies in the United States.

The en banc is open to the public, and seating will be available on a first come, first served basis. The meeting can be viewed over George Mason University's Capitol Connection. For information on this service call (703) 993–3100. The en banc will also be carried live on the Internet. Internet users may listen to the real-time audio feed of the en banc by accessing the FCC Internet Audio Broadcast Home Page. Step-by-step instructions on how to listen to the audio broadcast, as well as information regarding the equipment and software needed, are available on the FCC Internet Audio Broadcast Home Page. The URL address for this home page is http://www.fcc.gov/realaudio/.

A transcript of the en banc will be available 10 days after the event on the FCC's Internet site. Transcripts may be obtained from the FCC's duplicating contractor, International Transcription Service, 1231 20th Street, NW., Washington, DC 20036, by calling ITS at (202) 857–3800 or faxing ITS at (202) 857–3805. Audio and video tapes of the En banc may be purchased from Infocus, 341 Victroy Drive, Herndon, VA 20170, by calling Infocus at (703) 834–0100 or by faxing Infocus at (703) 834–0111. The URL address for the FCC's Internet Home Page is http://www.fcc.gov.

For additional information contact: Marcelino Ford-Livene at (202) 418–2030; News media contact: Audrey Spivack (202) 418–0500; TTY access available at (202) 418–2555.

Federal Communications Commission.

Magalie Roman Salas,

Secretary.

[FR Doc. 98–18238 Filed 7–8–98; 8:45 am]

BILLING CODE 6712–01–M

FEDERAL ELECTION COMMISSION

Sunshine Act Meetings

AGENCY: Federal Election Commission.

DATE & TIME: Tuesday, July 14, 1998 at 10:00 a.m.

PLACE: 999 E Street, N.W., Washington, D.C.

STATUS: This meeting will be closed to the public.

ITEMS TO BE DISCUSSED:

Compliance matters pursuant to 2 U.S.C. § 437g.

Audits conducted pursuant to 2 U.S.C. § 437g, § 438(b), and Title 26, U.S.C.

Matters concerning participation in civil actions or proceedings or arbitration.

Internal personnel rules and procedures or matters affecting a particular employee.

DATE & TIME: Thursday, July 16, 1998 at 10:00 a.m.

PLACE: 999 E Street, N.W., Washington, D.C. (Ninth Floor).

STATUS: This meeting will be open to the public.

ITEMS TO BE DISCUSSED:

Correction and Approval of Minutes.

Advisory Opinion 1998–12: Ashland Inc. Political Action Committee for Employees by counsel, Katrina W. Vega.

Administrative Matters.

PERSON TO CONTACT FOR INFORMATION: Mr. Ron Harris, Press Officer, Telephone: (202) 694–1220.

Marjorie W. Emmons,

Secretary of the Commission.

[FR Doc. 98–18418 Filed 7–7–98; 12:39 pm]

BILLING CODE 6715–01–M

FEDERAL MARITIME COMMISSION

Notice of Agreement(s) Filed

The Commission hereby gives notice of the filing of the following agreement(s) under the Shipping Act of 1984. Interested parties can review or obtain copies of agreements at the Washington, DC offices of the Commission, 800 North Capitol Street, N.W., Room 962. Interested parties may submit comments on an agreement to the Secretary, Federal Maritime Commission, Washington, DC 20573, within 10 days of the date this notice appears in the **Federal Register**.

Agreement No.: 202–010424–039.

Title: The Dominican Republic Agreement.

Parties:

NPR, Inc. (d/b/a Navieras)
Sea-Land Service, Inc.
Crowley American Transport, Inc.
A.P. Moller-Maersk Line
Del Line, LLC
Seaboard Marine, Ltd.
Tecmarine Lines, Inc.
Tropical Shipping and Construction Co., Ltd.

Synopsis: The proposed amendment would change Agreement provisions related to CY and CFS facilities as well as to the Agreement's voting provisions. It would also delete the neutral body policing provisions and modify the independent action provisions of the Agreement.

Agreement No.: 202–011259–015.
Title: United States/Southern Africa Conference.
Parties:
Lykes Lines Limited, LLC
Mediterranean Shipping Company S.A.
Safbank Line, Ltd.
Wilhelmsen Lines A/S

Synopsis: The proposed amendment adds language to specify the amount of time in which conference members have to vote on a telephone poll.

Agreement No.: 224–201055.
Title: Puerto Rico Ports Authority Pier A Lease Agreement.
Parties:
The Puerto Rico Ports Authority
Pan American Grain Mfg. Co., Inc.

Synopsis: The proposed agreement provides the lessee a long term lease of a warehouse on Pier A, a second right of preferential use of the berthing and platform area of that pier, as well as of an area adjacent to the warehouse, second only to the rights of the Puerto Rico Electric Power Authority. The term of the agreement runs through June 30, 2003, with the possibility of two 5-year extensions.

Dated: July 6, 1998.
By Order of the Federal Maritime Commission.
Joseph C. Polking,
Secretary.
[FR Doc. 98–18227 Filed 7–8–98; 8:45 am]
BILLING CODE 6730–01–M

FEDERAL MARITIME COMMISSION

Ocean Freight Forwarder License Applicants

Notice is hereby given that the following applicants have filed with the Federal Maritime Commission applications for licenses as ocean freight forwarders pursuant to section 19 of the Shipping Act of 1984 (46 U.S.C. app. 1718 and 46 CFR 510).

Persons knowing of any reason why any of the following applicants should not receive a license are requested to contact the Office of Freight Forwarders, Federal Maritime Commission, Washington, D.C. 20573.

Fam Cargo International Company, Inc., 7392 NW 35th Terrace, Miami, FL 33152, Officer: Harold Garay, President

Boss Shipping, Inc., 8491 N.W. 17 Street, Unit 109, Miami, FL 33126, Officers: Sigrid Boldt, President, Maria Alicia Campos, Secretary.

Dated: July 6, 1998.
Joseph C. Polking,
Secretary.
[FR Doc. 98–18248 Filed 7–8–98; 8:45 am]
BILLING CODE 6730–01–M

FEDERAL RESERVE SYSTEM

Change In Bank Control Notices; Acquisitions of Shares of Banks or Bank Holding Companies

The notificants listed below have applied under the Change in Bank Control Act (12 U.S.C. 1817(j)) and § 225.41 of the Board's Regulation Y (12 CFR 225.41) to acquire a bank or bank holding company. The factors that are considered in acting on the notices are set forth in paragraph 7 of the Act (12 U.S.C. 1817(j)(7)).

The notices are available for immediate inspection at the Federal Reserve Bank indicated. The notices also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing to the Reserve Bank indicated for that notice or to the offices of the Board of Governors. Comments must be received not later than July 24, 1998.

A. Federal Reserve Bank of New York (Betsy Buttrill White, Senior Vice President) 33 Liberty Street, New York, New York 10045-0001:

1. John Soldoveri, Totowa, New Jersey; to acquire additional voting shares of Greater Community Bancorp, Totowa, New Jersey, and thereby indirectly acquire additional voting shares of Great Falls Bank, Totowa, New Jersey, and Bergen Commercial Bank, Paramus, New Jersey.

B. Federal Reserve Bank of San Francisco (Maria Villanueva, Manager of Analytical Support, Consumer Regulation Group) 101 Market Street, San Francisco, California 94105-1579:

1. Peter F. Stanton, Spokane, Washington; to acquire additional voting shares of W.T.B. Financial Corporation, Spokane, Washington, and thereby indirectly acquire Washington Trust Bank, Spokane, Washington.

Board of Governors of the Federal Reserve System, July 6, 1998.
Robert deV. Frierson,
Associate Secretary of the Board.
[FR Doc. 98–18283 Filed 7–8–98; 8:45 am]
BILLING CODE 6210–01–F

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR Part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The application also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act. Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than August 3, 1998.

A. Federal Reserve Bank of New York (Betsy Buttrill White, Senior Vice President) 33 Liberty Street, New York, New York 10045-0001:

1. Piraeus Bank, S.A., Athens, Greece; to become a bank holding company by acquiring 56 percent of the voting shares of Marathon Banking Corporation, Astoria, New York, and thereby indirectly acquire Marathon National Bank of New York, Astoria, New York.

B. Federal Reserve Bank of St. Louis (Randall C. Sumner, Vice President) 411 Locust Street, St. Louis, Missouri 63102-2034:

1. Area Bancshares Corporation, Owensboro, Kentucky; to acquire 25 percent of the voting shares of Broadway Bank and Trust, Paducah, Kentucky.

C. Federal Reserve Bank of Dallas (W. Arthur Tribble, President) 2200 North Pearl Street, Dallas, Texas 75201-2272:

1. First Pecos Bancshares, Inc., Midland, Texas; to acquire 100 percent of the voting shares of First Alpine, Inc.,

Alpine, Texas, and thereby indirectly acquire Alpine Delaware Financial Corporation, Dover, Delaware, and First National Bank in Alpine, Alpine, Texas.

Board of Governors of the Federal Reserve System, July 6, 1998.

Robert deV. Frierson,

Associate Secretary of the Board.

[FR Doc. 98–18282 Filed 7–8–98; 8:45 am]

BILLING CODE 6210–01–F

FEDERAL RESERVE SYSTEM

Notice of Proposals to Engage in Permissible Nonbanking Activities or to Acquire Companies that are Engaged in Permissible Nonbanking Activities

The companies listed in this notice have given notice under section 4 of the Bank Holding Company Act (12 U.S.C. 1843) (BHC Act) and Regulation Y, (12 CFR Part 225) to engage *de novo*, or to acquire or control voting securities or assets of a company, including the companies listed below, that engages either directly or through a subsidiary or other company, in a nonbanking activity that is listed in § 225.28 of Regulation Y (12 CFR 225.28) or that the Board has determined by Order to be closely related to banking and permissible for bank holding companies. Unless otherwise noted, these activities will be conducted throughout the United States.

Each notice is available for inspection at the Federal Reserve Bank indicated. The notice also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether the proposal complies with the standards of section 4 of the BHC Act.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than July 24, 1998.

A. Federal Reserve Bank of Chicago (Philip Jackson, Applications Officer) 230 South LaSalle Street, Chicago, Illinois 60690-1413:

1. Northern Trust Corporation, Chicago, Illinois; to engage *de novo* through its subsidiary, Northern Trust Bank, Federal Savings Bank, Bloomfield Hills, Michigan (in organization), and thereby engage in the operation of a savings association, pursuant to § 225.28(b)(4)(ii) of Regulation Y.

Board of Governors of the Federal Reserve System, July 6, 1998.

Robert deV. Frierson,

Associate Secretary of the Board.

[FR Doc. 98–18281 Filed 7–8–98; 8:45 am]

BILLING CODE 6210–01–F

GENERAL SERVICES ADMINISTRATION

[OMB Control No. 3090–0043]

Submission for OMB Review; Comment Request Entitled Appraisal, Fair Annual Rental for Parking Spaces

AGENCY: Public Buildings Service, GSA.

ACTION: Notice of request for an extension to an existing OMB clearance (3090–0043).

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the Office of Acquisition Policy has submitted to the Office of Management and Budget (OMB) a request to review and approve an extension of a previously approved information collection requirement concerning Appraisal, Fair Annual Rental for Parking Spaces.

DATES: Comment Due Date: September 8, 1998.

ADDRESSES: Comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, should be submitted to: Edward Springer, GSA Desk Officer, Room 3235, NEOB, Washington, DC 20503, and to Marjorie Ashby, General Services Administration (MVP), 1800 F Street NW, Washington, DC 20405.

FOR FURTHER INFORMATION CONTACT: William C. Wyrick, Public Buildings Service (202) 501–4407.

SUPPLEMENTARY INFORMATION:

A. Purpose

The GSA is requesting the Office of Management and Budget (OMB) to review and approve information collection, 3090–0043, concerning Appraisal, Fair Annual Rental for Parking Spaces. This form is needed by contract and staff appraisers to estimate the assessed parking rates for agencies occupying space in Federal and private buildings.

B. Annual Reporting Burden

Respondents: 260; *annual responses:* 1300; *average hours per response:* 1.6; *burden hours:* 2200.

Copy of Proposal: A copy of this proposal may be obtained from the GSA Acquisition Policy Division (MVP), Room 4011, GSA Building, 1800 F Street, NW, Washington, DC 20405, or by telephoning (202) 501–3822, or by faxing your request to (202) 501–3341.

Dated: June 19, 1998.

Ida M. Ustad,

Deputy Associate Administrator, Office of Acquisition Policy.

[FR Doc. 98–18193 Filed 7–8–98; 8:45 am]

BILLING CODE 6820–61–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

[Program Announcement 98094]

Measuring the Risk for Transmission and Sequelae From Chlamydial Disease in the Era of Amplification Testing; Notice of Availability of Funds for Fiscal Year 1998

A. Purpose

The Centers for Disease Control and Prevention (CDC) announces the availability of fiscal year (FY) 1998 funds for a cooperative agreement program on Chlamydia trachomatis (Ct) infection in order to enhance strategies for prevention of STD-related infertility. Please reference the Attachment for background information relevant to this program announcement. This program addresses the "Healthy People 2000" priority area 19, Sexually Transmitted Diseases.

The purpose of this research program is to gain a better understanding of the risk for Ct disease transmission and sequelae in the context of new, highly sensitive diagnostic technologies. When patient specimens are subjected to both standard non-amplification tests (culture, enzyme immunoassay [EIA], direct fluorescent-antibody [DFA], DNA hybridization) and highly sensitive nucleic acid amplification tests such as the polymerase chain reaction [PCR], ligase chain reaction [LCR], or transcription mediated amplification [TMA], some proportion of patient specimens will test positive by one diagnostic measure, and negative by another. Rarely, a specimen will test positive by standard non-amplification tests and negative by more sensitive tests (+/−). Much more commonly, a specimen which is negative by standard diagnostic testing will test positive by highly sensitive nucleic acid amplification tests (−/+). Such discordant specimens have usually been classified as true positives, or false positives on the basis of a highly sensitive third confirmatory test targeting a different portion of the Ct

genome [(−/+/+) or (−/+/−) respectively].

It is not clear to what extent (−/+) discordant specimens (positive by amplification test only) reflect collection of low quality specimens from infected individuals, a phase in the natural disease course of Ct infection, a subgroup of true positive tests (i.e., specimens from some infected persons will always be discordant), or false positive test results. If poor quality specimen collection is the dominant explanation, it is possible that discordant tests result from a small organism load detectible only by highly sensitive tests. If infectious stage, immunity, or menstrual cycle play a role, discordant specimens may be due to such factors as early infection, previous infection, partially treated infection, non-viable organisms, or spontaneously resolving infection. It is not known if persons with discordant specimens have the same risk for disease transmission and development of sequelae as those with concordant specimens. With limited resources for screening it will be important to define criteria to determine the adequacy of collected specimens, and to be able to measure both the risk of disease transmission and the risk for sequelae among persons whose specimens test positive by nucleic acid amplification tests in order to weigh the potential benefit against the added cost and technical demands of screening with amplification tests.

In addition to standard methods of observational data analysis, CDC envisions that data from this study will be used to generate parameter estimates to supplement later work with mathematical models to estimate (a) changes in disease transmissibility over the course of infection, (b) estimates of the critical interval between disease acquisition and development of irreversible sequelae, and (c) the optimal screening intervals to most efficiently interrupt disease transmission and prevent the development of sequelae in diverse epidemiologic situations.

B. Eligible Applicants

Applications may be submitted by public and private non-profit organizations and by governments and their agencies; that is, universities, colleges, research institutions, hospitals, State and local governments or their bona fide agents, and federally recognized Indian tribal governments, Indian tribes, or Indian tribal organizations.

Note: Public Law 104–65 states that an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 that engages in lobbying activities is not eligible to receive Federal funds constituting an award, grant, cooperative agreement, contract, loan, or any other form.

C. Availability of Funds

Approximately $700,000 is available in FY 1998 to fund approximately two awards. It is expected that the average award will be $350,000, ranging from $300,000 to $400,000. It is expected that the awards will begin on or about September 30, 1998 and will be made for a 12-month budget period within a project period of up to 3 years. Funding estimates may change.

Continuation awards within an approved project period will be made on the basis of satisfactory progress as evidenced by required reports and the availability of funds.

Funding Preferences

Funding preferences may be given to (1) applications from particular geographic locations in order to achieve geographic balance or (2) applications from sites which differ from others in the prevalence of Ct (to select study sites diverse in stage of prevention program and phase in the Ct epidemic).

D. Program Requirements

In conducting activities to achieve this program, the recipient shall be responsible for the activities listed under 1. (Recipient Activities), and CDC shall be responsible for conducting activities listed under 2. (CDC Activities).

1. Recipient Activities

During the first 3–6 months of the study period, funded recipients will work as a group to develop a protocol that synthesizes ideas submitted by each funded site. Recipients will implement the protocol during the remaining months of the study period.

a. Collaborate on Study Design: Recipients will meet together to collectively develop a study protocol to be adopted across collaborating recipient sites. Collaborative activities will include (but may not be restricted to) the development of common data collection instruments, common specimen collection protocols, and common data management procedures.

b. Collaborate During Implementation of the Study: Collaboration will include: (1) communication regarding study progress; and (2) participation in across-site quality control procedures, and in regularly scheduled meetings and conference calls.

c. Conduct Productive and Scientifically Sound Studies: Recipients will identify, recruit, obtain informed consent forms, and enroll and follow to completion a minimum number of participants as specified by the study design and sample size requirements. Recipients will perform laboratory tests as determined by the study protocol, and will follow study participants over time as determined by the protocol.

d. Carry Out Site-Specific Analyses: Recipients may conduct analyses and publish manuscripts using data collected at their own site.

e. Share Data and Specimens: Recipients will take responsibility for cleaning and/or editing locally collected data, and sharing data and (when appropriate) specimens to allow for analysis of specific research questions.

f. Collaborate on Publication of Results: Researchers will develop at least one publication recording results from both study sites for a peer-reviewed journal.

g. Meet the requirements for approval of the study protocol specified by the recipients' local institutional human investigation review board (IRB).

2. CDC Activities

a. Provide Technical Assistance and Coordination: CDC staff will provide current scientific and programmatic information relevant to the project, and may provide technical guidance in the design and conduct of the research (including study design, operations and evaluation, and development and dissemination of study protocols, consent forms, and questionnaires). CDC will provide coordination of the project and will assist in designing a data management system.

b. Analyze Study Data and Coordinate Publication: CDC staff may assist in cross-site analyses of data gathered over the course of the study and may collaborate with recipients in developing at least one overall publication describing the multi-site project results.

c. Share Data and Specimens: CDC staff may coordinate the dissemination of data and specimens (when appropriate) to participating sites.

d. Monitor and Evaluate Scientific and Operational Accomplishments of the Project: This will be accomplished through periodic site visits, telephone calls, and review of technical reports and interim data analysis.

e. Meet the requirements for approval of the study protocol specified by the CDC's human investigation review board (IRB).

E. Application Content

Applicants should use the following study questions, as well as information in the Program Requirements, Other Requirements, and Evaluation Criteria

sections of this announcement to develop the application content. Applications will be evaluated on the criteria listed, so it is important to follow them in laying out your program plan. The narrative should be no more than 25 double-spaced pages, printed on one side, with one inch margins, and unreduced font. Please include a table of contents.

Applicants should develop a research proposal outlining a single integrated study to address as many of the following study questions as they deem feasible, and consider study designs which would permit consideration of how patient gender, specimen type, and Ct "epidemic phase" (as evidenced by Ct prevalence, and trends in disease) affect the interpretation of the results. Site-specific differences in the Ct epidemic and local prevention program development may affect the proportion of collected specimens which come from prevalent versus incident cases, or symptomatic versus asymptomatic cases; these factors may influence the likelihood that a specimen tests positive by nucleic acid amplification test (NAAT) only, as well as modifying the risk for transmission and sequelae among infected persons. Because of this potential confounding, applicants for each site must demonstrate a sample size adequate to allow the chief research questions to be addressed conclusively at their (single) site (i.e. without relying on an aggregate data analysis).

Applicants must give evidence (in the form of a letter of agreement) that they will conduct their proposed study in collaboration with a State or local health department. Applications from State and local health departments must include evidence (in the form of a letter of agreement) that they will collaborate with a research institution.

Applicants should include a summary abstract at the front of the application listing their name and the proposed participating institutions, and outlining (in 300 words or less) the key, distinguishing methodologic and technical aspects of the proposed study.

The applicant should provide a line-item annualized budget with a budget narrative that justifies each line item and which anticipates the salaries of appropriate staff, travel for principal investigator(s) and project supervisor(s) to meet with CDC three times during the first year and two times per year thereafter, as well as costs related to the diagnosis and management of Ct and other concurrently diagnosed STDs. This could include the cost of anticipated partner tracing activities, longitudinal participation, and other needs.

Study Questions

(1) Is there a differential risk for disease transmission and development of the sequelae from Ct disease in persons with discordant compared to concordant test results? Are there laboratory correlates, such as quantification of bacterial load or a test for viability, which could be used to identify those at most risk for transmission or sequelae?

(2) What factors influence detection of Chlamydial antigen and the reproducibility of results, and how does detection of Ct disease by non-amplification and amplification methods vary over the course of infection? Factors which could be explored include the quality of the biologic specimen obtained, phase in the menstrual cycle or other characteristics of the infected person such as immune status, relative timing within the natural history of untreated Ct infection, co infection with other sexually transmitted disease(s), or the order in which specimens are collected when multiple specimens are obtained from the same person? To what extent are these factors influenced by the type of specimen collected (cervical, vaginal, urine)?

(3) What are the defining characteristics of false positive specimens (that subset of discordant patient specimens which test negative when subjected to a third, confirmatory test)? Are there any laboratory or clinical factors which could be used to predict those specimens likely to be false positives (proximity in testing wells, identical genotypes, low amplicon count)? Does the frequency of measurable clinical outcomes—such as evidence of transmission within a sexual partnership, or development of sequelae—concur with the "negative" classification such specimens would be accorded by a third confirmatory test?

Applicants are also encouraged to develop secondary study hypotheses which may be addressed at their own or all collaborating sites, depending on the level of interest among the collaborating investigators.

F. Submission and Deadline

1. Applications

Applicants should use Form PHS 398 (OMB Number 0925-0001) and adhere to the ERRATA Instruction sheet for form PHS–398 contained in the application kit. Please submit an original and five copies on or before August 14, 1998 to: Kathy Raible, Grants Management Specialist, Procurement and Grants Office, Centers for Disease Control and Prevention (CDC), 255 East Paces Ferry Road, NE, Room 300, M/S E–15, Atlanta, Georgia 30305.

2. Deadlines

A. Applications will meet the deadline if they are either:

1. Received on or before the deadline date; or

2. Sent on or before the deadline date and received in time for submission to the objective review committee. (Applicants must request a legibly dated U.S. Postal Service postmark or obtain a legibly dated receipt from a commercial carrier or U.S. Postal Service. Private metered postmarks shall not be accepted as proof of timely mailing.)

B. Applications that do not meet the criteria in A.1. or A.2. above are considered late applications. Late applications will not be considered in current competition and will be returned to the applicant.

G. Evaluation Criteria

Each application will be evaluated individually against the following criteria by an independent reviewer group appointed by CDC:

1. Background and Objectives (10 points)

Depth of knowledge regarding Ct transmission, including demonstrated understanding of the strengths and limitations of previous studies examining the issue. Demonstrated understanding of how introduction of new diagnostic tests may affect the scientific communities' understanding of transmissibility and could shape public health recommendations for screening, partner notification and patient follow up.

The extent to which the applicant provides a set of research objectives that are realistic, specific, and measurable, and reflect an optimal integration of the study questions outlined earlier in this announcement. Points will be awarded for attention to each of the possible modifying variables: (a) gender; (b) specimen type; and (c) epidemic phase of Ct in the study population.

2. Site Selection/Study Population (10 points)

The extent to which the selected study site and study population (including the choice of whether or not to include symptomatic persons) will enable the results from this research to be generalizeable to other settings or populations likely to be screened for Ct. Applications will be scored on the likely feasibility of completing the research in the proposed population. Highest points will be given to applications demonstrating the capacity to enroll persons at risk for Ct infection in numbers adequate to address a maximal number of research questions at a single site, and to undertake longitudinal follow-up of these persons as required by the study design.

The feasibility of utilizing the proposed study population will be evaluated on the basis of the applicant's:

(a) outline of STD services available in their jurisdiction; (b) specification of the type of setting in which the proposed study would be conducted (e.g., family planning clinic, sexually transmitted diseases clinic, primary care clinic), and health care delivery system within which this setting exists (managed care, federally funded facility, University affiliated); (c) description of the population accessible at the proposed study site, including the number of people seen per month and per annum, with a tabulation by gender, age group <20, 20–24, 25–29, 30–34, 35–44 and ethnicity; and (d) description of the prevalence of Ct in population attending the proposed study site stratified by these same variables, with specification of whether study subjects will be limited to asymptomatic persons, or will include symptomatic individuals. The applicant's decision to include or exclude symptomatic individuals will be judged on the basis of the rationale provided, and demonstrated understanding of how such inclusion or exclusion might be expected to influence sample size requirements, and generalizeability of the study findings.

3. Methods (25 points)

Applications will be evaluated with regard to the appropriateness, efficiency, and adequacy of the research design and proposed methodology to answer the research questions. This evaluation will be based on the extent to which the application: (a) Describes a well conceived study design in clear terms; (b) describes the likely range of explanatory and outcome variables in each component of the study; (c) specifies appropriate comparison groups for analysis within each study component; (d) provides explicit outlines of sampling schemes, sample size calculations (including all assumptions made for the purposes of the calculations), and plans for handling sampling biases;[1] (e) gives evidence of access to the relevant data sources and the plan for data collection; and (f) clearly describes the specific quantitative and qualitative analytic techniques to be used to address the research questions.

4. Public Health Applicability (10 points)

Points will be awarded to study proposals which will utilize laboratory methods which could be easily applied to practice in public health clinical or laboratory settings with a minimum of additional training, resources, and infrastructure. For example, applications describing fast, practical means of assessing specimen adequacy and quantifying bacterial load would be awarded points because of the potential application of these techniques if these parameters are found to be key factors influencing the interpretation of discordant specimens and the risk for transmission and sequelae.

5. Quality Assurance (10 points)

The extent to which the applications present a sound plan (with specific procedures) to monitor the quality and consistency of clinical and laboratory specimens and data collection.

6. Research Capacity (25 points)

Applicants will be judged on their overall ability to perform the technical aspects of the project which include: (a) The availability and identification of study personnel with the needed experience and competence in research design, conduct, data collection (observational, clinical, and laboratory), analysis, and dissemination; (b) assurance that staff can be hired within 3 months of award of monies; (c) the availability of adequate laboratory, clinical, and administrative facilities and resources for the conduct of the proposed research, including a letter of agreement from the director of the laboratory services which will be conducting related laboratory studies; (d) documentation of access to the necessary study population including a letter of agreement from the administrators of proposed enrollment site; (e) plans for the administration of the project(s), including a detailed and realistic time line for the specified activities; (f) details of proposed collaboration between academia, federally funded clinics, laboratories, state and local health departments, etc., including letters of agreement between institutions; (g) demonstration of the applicant's ability, and willingness to collaborate in study design and analysis, including use of common study protocols and data collection instruments, and sharing data and (when appropriate) specimens; and (h) access to cost-efficient, locally available staff to complete data entry and data management.

7. Budget (not scored)

Budgets will be evaluated on the appropriateness of budget estimates in relation to the proposed research, and the extent to which the budget is reasonable, clearly justified, and consistent with the intended use of funds.

8. Human Subjects (not scored)

Does the application adequately address the requirements of 45 CFR Part 46 for the protection of human subjects?

____ Yes ____ No

Comments: _____

9. Inclusion of Women, Ethnic, and Racial Groups (10 points)

The degree to which the applicant has met the CDC Policy requirements regarding the inclusion of women, ethnic, and racial groups in the proposed research. This includes: (a) The proposed plan for the inclusion of both sexes and racial and ethnic minority populations for appropriate representation; (b) The proposed justification when representation is limited or absent; (c) A statement as to whether the design of the study is adequate to measure differences when warranted; and (d) A statement as to whether the plans for recruitment and outreach for study participants include the process of establishing partnerships with community(ies) and recognition of mutual benefits.

H. Other Requirements

1. Technical Reporting Requirements

An original and two copies of annual progress reports must be submitted no later than 30 days after the end of each budget period. An original and two copies of a financial status report (FSR) are required no later than 90 days after the end of each budget period. A final progress report and FSR are due no later than 90 days after the end of the project period. All reports are submitted to the Grants Management Branch, Procurement and Grants Office, CDC.

2. For Other Requirements, see the following enclosures

AR98–1 Human Subjects Requirements
AR98–2 Requirements for Inclusion of Women and Racial and Ethnic Minorities in Research
AR98–4 HIV/AIDS Confidentiality Provisions
AR98–5 HIV Program Review Panel Requirements
AR98–9 Paperwork Reduction Act Requirements
AR98–10 Smoke-Free Workplace Requirements
AR98–11 Healthy People 2000
AR98–12 Lobbying Restrictions
AR98–14 Accounting System Requirements

[1] Although applicants may describe a study which includes specimen collection and testing for the presence of other STDs (such as *Neisseria gonorrhea*), sample size estimates should be made with reference only to Chlamydia trachomatis prevalence and detection.

I. Authority and Catalog of Federal Domestic Assistance Number

This program is authorized under sections 318 and 318A of the Public Health Service Act, 42 U.S.C. sections 247c and 247c–1, as amended. The Catalog of Federal Domestic Assistance number is 93.941.

J. Where To Obtain Additional Information

A complete program description, information on application procedures, an application package, and business management technical assistance may be obtained from Kathy Raible, Grants Management Specialist, Grants Management Branch, Procurement and Grants Office, Centers for Disease Control and Prevention (CDC), 255 East Paces Ferry Road, NE, Room 300, Mail Stop E–15, Atlanta, Georgia 30305, telephone (404) 842–6649, or via email at: <kcr8@cdc.gov>.

Programmatic technical assistance may be obtained from Julie Schillinger, MD, MSc, Division of STD Prevention, NCHSTP, CDC, 1600 Clifton Road; Mailstop E–02, Atlanta, Georgia 30333, telephone (404) 639–8368, or via email at: <jus8@cdc.gov>.

This and other CDC announcements can be found on the CDC homepage (http://www.cdc.gov) under the "Funding" section. For your convenience, you may be able to retrieve a copy of the PHS Form 398 from (http://www.nih.gov/grants/funding/phs398/phs398.html).

Please Refer to Announcement Number 98094 When Requesting Information and Submitting an Application.

CDC will not send application kits by facsimile or express mail.

Potential applicants may obtain a copy of "Healthy People 2000" (Full Report, Stock No. 017–001–00474–0) or "Healthy People 2000" (Summary Report, Stock No. 017–001–00473–1) through the Superintendent of Documents, Government Printing Office, Washington, DC 20402–9325, telephone (202) 512–1800.

Dated: July 2, 1998.

John L. Williams,

Director, Procurement and Grants Office.

[FR Doc. 98–18199 Filed 7–8–98; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

[Announcement Number 98097]

Behavioral Intervention Research on The Prevention of Sexual Transmission of HIV By HIV-Seropositive Men Who Have Sex With Men

A. Purpose

The Centers for Disease Control and Prevention (CDC) announces the availability of fiscal year (FY) 1998 funds for a cooperative agreement program for the prevention of HIV transmission by HIV-seropositive men. This program addresses the "Healthy People 2000" priority area Human Immunodeficiency Virus (HIV) Infection.

The purpose of this program is to support research evaluating the outcome of interventions based on formative research that reduce the spread of HIV by men who have sex with men who know they are HIV seropositive. Consistent with this goal, funding under this program will support a randomized controlled trial to evaluate the effectiveness of intervention activities designed to motivate and support HIV-seropositive men who have sex with men in sustaining sexual practices that reduce the risk and prevent HIV transmission to partners who are sero-negative or of unknown serostatus.

The intervention proposed for the trial must be based on formative research, behavioral theory, and results of prior pilot evaluations. Because of the differential impact of HIV on men of color, both the prior formative research and the proposed intervention trial must be based on samples in which the majority of participants are men of color. The ultimate goal of this research is the identification of successful intervention strategies for HIV-seropositive men who have sex with men that are appropriate for implementation in community settings (e.g., local health departments, community-based organizations, health maintenance organizations) and that are suitable for replication in other community settings.

B. Eligible Applicants

Applications may be submitted by public and private nonprofit organizations and by governments and their agencies; that is, universities, colleges, research institutions, hospitals, other public and private nonprofit organizations, state and local governments or their bona fide agents, and federally recognized Indian tribal governments, Indian tribes, or Indian tribal organizations. Public Law 104–65 states that an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 that engages in lobbying activities is not eligible to receive Federal funds constituting an award, grant, cooperative agreement, contract, loan or any other form.

1. Funding Preference

This announcement is for behavioral intervention studies that build upon formative research findings regarding transmission risk among HIV-seropositive men who have sex with men. Because of the differential impact of HIV among men of color, preference will be given to applicants with documented ability to recruit research samples of HIV-seropositive men who have sex with men in which the majority of participants are men of color. In order to ensure the success of the proposed project, it is essential that applicants have access to sufficient numbers of HIV-seropositive men who have sex with men. Therefore, preference will also be given to applications from metropolitan areas having a 1997 AIDS incidence rate exceeding 50 per 100,000.

2. Funding Priorities

This announcement is for behavioral intervention studies that build upon research findings regarding transmission risk among HIV-seropositive men who have sex with men. This announcement will support behavioral intervention studies that build upon research findings regarding transmission risk among HIV-seropositive men from formative studies. This new research initiative will lead to the development of effective, feasible, and sustainable interventions that reduce the spread of HIV by men who know they are HIV seropositive. Consistent with this goal, funding under this program will support a randomized controlled trial to evaluate the effectiveness of intervention activities designed to motivate and support HIV-seropositive men who have sex with men in sustaining sexual practices that reduce the risk and prevent HIV transmission to partners who are sero-negative or of unknown serostatus.

C. Availability of Funds

Approximately $800,000 is available in FY 1998 to fund two awards. It is expected that the average award will be $400,000. Awards are expected to begin on or about September 30, 1998, and

will be made for a 12-month budget period within a project period of up to three years. The funding estimate is subject to change.

Continuation awards within the project period will be made on the basis of satisfactory progress and the availability of funds.

D. Program Requirements

In conducting activities to achieve the purpose of this program, the recipient will be responsible for the activities identified under Recipient Activities below and CDC will be responsible for the activities identified under CDC Activities below:

Recipient Activities

a. Develop research and intervention protocols and data collection instruments appropriate to conduct a randomized controlled intervention trial.

b. Establish procedures to maintain the rights and confidentiality of all study participants, including review of research activities by recipient's and CDC's Institutional Review Board (IRB).

c. Identify, recruit, obtain informed consent, and enroll an adequate number of research participants according to procedures specified in the study protocol.

d. Conduct intervention sessions, interviews, and other assessments according to the research protocol.

e. Summarize data and conduct data analyses.

f. Disseminate research findings in peer-reviewed journals and at professional meetings.

CDC Activities

a. Provide scientific and technical assistance in the design and development of the research, and evaluation protocols, selection of measures and instruments, operational plans and objectives, and data analysis strategies.

b. Provide scientific and technical coordination of the general operation of the research project, including data management support.

c. Participate in the analysis of data gathered from program activities and the reporting of results.

d. Conduct site visits to assess program progress.

e. Assist in the development of a research protocol for Institutional Review Board (IRB) review by all cooperating institutions participating in the research project. The CDC IRB will review and approve the protocol initially and on at least an annual basis until the research project is completed.

E. Application Content

The application may not exceed 30 double-spaced pages in length, excluding appendices (The appendices are the appropriate location for intervention protocols, references, and memoranda of agreement documenting collaboration with other agencies). Provide a one-page abstract of the proposal. Number all pages clearly and sequentially and include a complete index to the application and its appendices. Submit the original and each copy of the application UNSTAPLED and UNBOUND. Print all material, double spaced, in a 12-point or larger font on 8½" by 11" paper, with at least 1" margins and printed on one side only.

Use the following outline.

1. Ability To Recruit HIV-Seropositive Men

a. Describe methods previously used to recruit community-based research samples of HIV seropositive men who have sex with men;

b. Describe the differential success of various recruitment strategies;

c. Describe the ethnic/racial background of participants in the research sample(s).

2. Formative Research With HIV-Seropositive Men

a. Describe methods used to collect qualitative and quantitative formative data regarding the HIV transmission risk and its determinants among HIV-seropositive men who have sex with men;

b. Summarize findings from the formative research phase, highlighting those with special relevance for the design of HIV prevention efforts;

c. Attach copies of all abstracts, presentations, and manuscripts that describe findings from the formative research phase;

d. Discuss ways in which HIV-seropositive men and their advocates or service providers were involved in the formative research phase.

3. Intervention Research Plan

a. Describe the hypotheses and outcomes that will be addressed as part of the intervention trial;

b. Describe the characteristics of HIV-seropositive men who have sex with men in the proposed study population and define the specific subgroups of HIV-seropositive men that will be the primary focus of the proposed research. Using available data, provide a rationale for any focus on specific population subgroups. Document ability to recruit sufficient numbers of men from the proposed target population;

c. Describe the research design and methods that will be employed in the intervention trial. Include information about randomization procedures, statistical power to detect hypothesized differences, primary (behavioral and biological) and secondary (relevant mediating variables) outcome measures, the reliability and validity of measures that will be used, and procedures for maximizing external and internal validity (e.g., sampling strategies and retention procedures, respectively);

d. Provide a detailed description of all intervention and comparison conditions that are proposed for the trial and give a rationale for each. Clearly specify the way in which proposed intervention activities are based on findings from the formative research and behavioral theory (include the intervention curriculum in the Appendix;

e. Describe procedures for involving the target population and their advocates or service providers in the design of research and intervention activities;

(1) State whether the plans for recruitment and outreach for study participants include the process of establishing partnerships with communities and recognition of mutual benefits will be documented.

(2) Describe the proposed plan for the inclusion of racial and ethnic minority populations for appropriate representation.

f. Describe procedures for obtaining informed consent and maintaining participant confidentiality and;

g. Describe plans to develop specific documents necessary to replicate the intervention and to disseminate study findings to community and scientific audiences.

4. Research and Intervention Capability

a. Describe the research team and organizational setting;

b. Describe the professional training and relevant research experience of all staff;

c. Include in the appendix, memoranda of agreement that clearly and specifically document activities to be performed by any external experts, consultants, or collaborating agencies under the cooperative agreement.

5. Staffing, Facilities, And Time Line

a. Explain the proposed staffing, percentage of time each staff member commits to this and other projects, and division of duties and responsibilities for the project;

b. Describe support activities such as project oversight or data management that will contribute to the completion of all research activities;

c. Describe existing facilities, equipment, computer software, and data processing capacity;

d. Describe the procedures to ensure the security of research data and;

e. Provide a time line for the completion of the proposed research.

6. Budget

Provide a detailed, line-item budget for the project and a budget narrative that justifies each line-item.

F. Submission and Deadline

Submit the original and five copies of PHS–398 (OMB Number 0925–0001) (adhere to the instructions on the Errata Instruction Sheet for PHS 398). Forms are in the application kit.

On or before August 24, 1998, submit the application to: Julia Valentine, Grants Management Specialist, Grants Management Branch, Procurement and Grants Office, Announcement 98097, Centers for Disease Control and Prevention (CDC), Room 300, 255 East Paces Ferry Road, NE, M/S E15, Atlanta, Georgia 30305–2209.

If your application does not arrive in time for submission to the independent review group, it will not be considered in the current competition unless you can provide proof that you mailed it on or before the deadline (i.e., receipt from U.S. Postal Service or a commercial carrier; private metered postmarks are not acceptable).

G. Evaluation Criteria

Each application will be evaluated individually against the following criteria by an independent review group appointed by CDC.

1. Ability To Recruit HIV-Seropositive Men Who Have Sex With Men (20 points)

a. Quality and diversity of methods used to recruit community-based sample(s) of HIV-seropositive men who have sex with men;

b. Ability of applicant to provide data regarding the relative effectiveness of various strategies to recruit community-based samples of HIV-seropositive men who have sex with men;

c. Documented ability to recruit a research sample of HIV-seropositive men who have sex with men in which the majority of participants are men of color.

2. Familiarity With And Access to HIV-Seropositive Men (35 points)

a. Quality of the description of methods used to collect qualitative and quantitative data during formative research phase, including the documented ability to recruit adequate numbers of study participants;

b. Extent to which findings from the applicant's formative research demonstrates an in-depth understanding of the formative data regarding the HIV transmission risk, factors influencing risk taking behaviors, as well as the intervention and service needs of the proposed study population;

c. Extent to which the applicant has disseminated formative research findings regarding HIV-seropositive men who have sex with men to appropriate scientific and community audiences;

d. Quality and depth of the strategies used to involve and solicit input from a diverse group of HIV-seropositive men, their advocates, or service providers.

3. Intervention Research Plan (30 points)

a. Appropriateness of the proposed research hypotheses and intervention outcome measures;

b. Suitability of the proposed intervention subgroups and documented ability to recruit sufficient numbers of men who have sex with men from the proposed study population;

c. Quality and scientific rigor of the research design and methods that will be employed in the intervention trial;

d. Quality of the rationale and curricula for the intervention and comparison conditions, including the extent to which the proposed intervention activities are based on findings from the formative research and behavioral theory;

e. Extent to which the target population, their advocates, or service providers will be involved in the design of research and intervention activities;

f. Adequacy of procedures for obtaining informed consent and maintaining participant confidentiality and;

g. Quality of plans to develop appropriate materials for intervention replication and to disseminate study findings to community and scientific audiences.

4. Research and Intervention Capability (5 points)

a. Applicant's ability to carry out the proposed research as demonstrated by the training and experience of the proposed research team and organizational setting;

b. Ability of the applicant to conduct the proposed research as reflected in the training, research, and behavioral intervention experience of staff members and;

c. Extent to which services to be provided by external experts, consultants, or collaborating agencies are documented by memoranda of agreement in the appendix.

5. Staffing, Facilities, And Time Line (5 points)

a. Availability of qualified and experienced personnel with sufficient time dedicated to the proposed project. Presence of behavioral scientists in key leadership positions on the project;

b. Clarity of the described duties and responsibilities of project personnel;

c. Adequacy of the facilities, equipment, data management resources, and systems for ensuring data security and;

d. Specificity and reasonableness of time line.

6. The Degree to Which the Applicant Has Met the CDC Policy Requirements Regarding the Inclusion of Ethnic and Racial Groups in the Proposed Research (5 points)

This includes:

a. The proposed plan for the inclusion of racial and ethnic minority populations for appropriate representation;

b. The proposed justification when representation is limited or absent;

c. A statement as to whether the design of the study is adequate to measure differences when warranted;

d. A statement as to whether the plans for recruitment and outreach for study participants include the process of establishing partnerships with communities and recognition of mutual benefits.

7. Does the Application Adequately Address the Requirements of Title 45 CFR Part 46 For The Protection of Human Subjects?

____ YES ____ No

Comments: _____

8. Budget (not scored)

Extent to which the budget is reasonable, itemized, clearly justified, and consistent with the intended use of funds.

H. Other Requirements

1. Technical Reporting Requirements

Provide CDC with original plus two copies of

a. Semi-annual progress reports, no more than 30 days after the end of each reporting period. The progress reports must include the following for each program, function, or activity involved:

(1) A comparison of accomplishments of the goals established for the period;

(2) Reasons that any goals were not met and;

(3) A description of steps taken to overcome barriers to the goals for the period.

2. Financial status report, no more than 90 days after the end of the budget period; and

3. Final financial and performance reports, no more than 90 days after the end of the project period.

Send all reports to: Julia Valentine, Grants Management Specialist, Grants Management Branch, Procurement and Grants Office, Centers for Disease Control and Prevention (CDC), Room 300, 255 East Paces Ferry Road, NE, M/S E–15, Atlanta, GA 30305–2209.

4. The following additional requirements are applicable to this program. For a complete description of each, see Attachments.

AR98–1 Human Subjects Requirements
AR98–2 Requirements for Inclusion of Racial and Ethnic Minorities in Research
AR98–4 HIV/AIDS Confidentiality Provisions
AR98–5 HIV Program Review Panel Requirements
AR98–9 Paperwork Reduction Act Requirements
AR98–10 Smoke-Free Workplace Requirements
AR98–11 Healthy People 2000
AR98–12 Lobbying Restrictions

I. Authority and Catalog of Federal Domestic Assistance Number

This program is authorized under Section 301 and 317(k)(2), of the Public Health Service Act (42 U.S.C. 241 and 247b(k)(2)) as amended. The Catalog of Federal Domestic Assistance number is 93.941.

J. Where to Obtain Additional Information

To receive additional written information and to request an application kit, call 1–888–GRANTS4 (1–888–472–6874). You will be asked to leave your name and address and will be instructed to identify the Announcement number of interest.

If you have questions after reviewing the contents of all the documents, business management technical assistance may be obtained from: Julia Valentine, Grants Management Specialist, Grants Management Branch, Procurement and Grants Office Centers for Disease Control and Prevention (CDC), 255 East Paces Ferry Road, NE, Room 300, Mailstop E–15, Atlanta, GA 30305, telephone: (404) 842–6871; Email *JXV1@CDC.GOV*.

Programmatic technical assistance may be obtained from: Robert Kohmescher Division of HIV/AIDS Prevention, National Center for HIV/STD/TB Prevention, Centers for Disease Control and Prevention (CDC), 1600 Clifton Road, NE, Mailstop E–44, Atlanta, GA 30333, telephone (404) 639–8302 Email *RNK1@CDC.GOV*.

This announcement will be available on CDC's home page at http://www.cdc.gov.

John L. Williams,

Director, Procurement and Grants Office.

[FR Doc. 98–18200 Filed 7–6–98; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

[Announcement 98081]

Notice of Availability of Fiscal Year 1998 Funds National Diabetes Prevention Center

A. Purpose

The Centers for Disease Control and Prevention (CDC) announces the availability of fiscal year (FY) 1998 funds for a cooperative agreement program for a National Diabetes Prevention Center whose functions will be to provide guidance and technical support regarding diabetes mellitus (DM) in Native American communities throughout the United States. Initial activities will target the challenges of DM in the Navajo Nation and the Zuni Pueblo tribe in the southwestern United States. If, and as additional funds become available, it is CDC's intent to expand this program to other Native American populations through collaboration with other federal agencies, such as, Indian Health Service (IHS). This program addresses the "Healthy People 2000" priority area(s) of Diabetes and Chronic Disabling Conditions. Native American populations have a high incidence and prevalence of diabetes and diabetes complications. The purpose of this initiative is to establish a National Diabetes Prevention Center in Gallup, New Mexico, that will serve as a focal point for developing and testing new prevention and control strategies to address the burden of diabetes in Native Americans. Components of the center will include, but are not limited to, systematic community needs assessment, design, and development of coherent, theory-based community programs, implementation of community interventions, and focused interventional research, surveillance, program evaluation, health professional and community training, and tribal capacity building activities for diabetes prevention and control. The goal is to develop, evaluate and disseminate culturally relevant community based public health prevention strategies for Native Americans. It is envisioned that documented experiences, qualitative, and quantitative research findings, strategies, and benefits from all center activities including initial targeted programs, will ultimately be applicable to other Indian tribes and similar populations. All these activities will require established experiences in qualitative and quantitative assessment, creative theory-based program development, systematic program evaluation, and management and supervisory activities. Cooperative partnerships will be important in center activities.

B. Eligible Applicants

Applications may be submitted by public and private nonprofit organizations and governments and their agencies. Thus, universities, colleges, research institutions, hospitals, other public and private organizations, including State and local governments or their bona fide agents, federally recognized Indian tribal governments, Indian tribes or Indian tribal organizations may apply.

Congress, through the Departments of Labor, Health and Human Services, Education, and Related Agencies Appropriations Act, H.R. 2264, 1998 Conference Report, page S–12088 directed CDC to establish a National Diabetes Prevention Center in Gallup, New Mexico, with initial activities involving and targeting the Navajo Nation and Zuni Pueblo tribe in the southwest U.S.

Note: Public Law 104–65 states that an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 that engages in lobbying activities is not eligible to receive Federal funds constituting an award, grant, cooperative agreement, contract, loan, or any other form.

C. Availability of Funds

Approximately $2.3 million is available in FY 1998 to fund this program. It is expected that this one award will begin on or about September 30, 1998, and will be made for a 12-month budget period within a project period of up to five years. Funding estimates may change.

Continuation awards within an approved project period will be made on the basis of satisfactory progress as evidenced by required reports and the availability of funds.

Direct Assistance

Applicants may request Federal personnel, equipment, or supplies as direct assistance, in lieu of a portion of financial assistance.

Use of Funds

Allowable Uses

Funds are awarded for a specifically defined purpose and must be targeted for implementation and management of the program. Funds can support lease of space and facilities, personnel, services directly related to the program, and the purchase of hardware and software for data collection, analysis, and project management and evaluation purposes.

Prohibited Uses

Cooperative agreement funds cannot be used for (1) construction, (2) renovation, (3) the purchase or lease of passenger vehicles or vans, (4) to supplant non-Federal funds that would otherwise be made available for this purpose, or (5) cost of regular clinical patient care.

D. Program Requirements

Work performed under this cooperative agreement will be the result of collaborative efforts between CDC, IHS, Native American populations, and the recipient. The establishment of a National Diabetes Prevention Center, with initial focus on the Navajo Nation and Zuni Pueblo tribe, is the overall major program direction. CDC will be available to provide assistance in the design and implementation of research methods and study design. As additional funds become available, it is CDC's intent to expand the Center's activities to address this program to other Native American populations with their own special and distinct needs for the challenges of DM. CDC will work collaboratively with the recipient in areas mutually agreed upon by IHS, the recipient, and tribal leadership.

In conducting activities to achieve the purpose of this program, the recipient shall be responsible for the activities described under 1., below, and CDC shall be responsible for carrying out the activities described under 2., below.

1. Recipient Activities

a. Establish and maintain an effective and adequate management and staffing plan. This plan should include a description of how the center will be established, organized and operated. Additionally, this plan should address expansion in future years to focus on unique needs related to DM among other tribes and target populations, including how decisions will be made regarding future tribes or populations. The success of the program will depend on recruiting and hiring staff in a timely manner. Staff should have the education, background, and experience to successfully conduct the activities proposed in this application.

b. Select, establish and maintain a Tribal Advisory Board of tribal members initially including members of the Navajo Nation, Zuni Pueblo tribe, and other tribes. The board will provide consultation, coordination, and linkage between the Native American communities and the recipient and participate in program and policy decisions.

c. Establish a Steering Committee which shall be the primary scientific governing body of the center and comprised of the Principal Investigator of the Center, Native American researchers, IHS, and CDC. The Steering Committee will provide advice and guidance concerning the continued evolution of the National Center, as well as the initial specific activities addressing the important needs of DM in Navajo Nation and Zuni Pueblo tribe, as well as development of research protocols, facilitating the conduct and monitoring of intervention studies, and reporting study results. The Steering Committee chairperson or designee will participate in Tribal Advisory Board meetings, and maintain on-going communication and updates with the Tribal Advisory Board.

d. Recipient will be responsible, with consultation with CDC, IHS, the Tribal Advisory Board, and the Steering Committee for the overall directives, strategies, planning, and functions of the National Center, including implementing research methods and study design, analysis, use of data, and dissemination of results via peer-reviewed scientific publications or other related material.

Recipient will provide lead initiative in protocol development, evaluation, data collection, quality control, data analysis and interpretation, the preparation of publications and presentation of findings. Assess how routinely available data can be used to establish an active surveillance system, and what new data will be needed. Undertake a pilot project to demonstrate how available data can be effectively used to identify priorities and to effect change. Establish an information clearinghouse that will assemble and disseminate information on health status, effectiveness and cost-effectiveness of interventions. Develop a formative evaluation plan for tribal and community relations, and the management and overall operations of the center.

e. Develop a multi-year, staged plan for community interventions and focused intervention research, targeting the members of the Navajo Nation and Zuni Pueblo tribe. As an initial component of the National Center, the recipient should address tribal relations throughout the project period and propose strategies and interventions that enhance tribal capacity to conduct proposed public health interventions. This plan should minimally include diabetes prevention interventions research in the following areas: Diabetes Care Interventions, Outreach Interventions, and Health Promotion Interventions. The plan should also address ways to protect human subjects involved in research activities including coordination with local institutional review boards and tribal councils.

1. Interventions research focused on Diabetes Care: These public health interventions are directed at persons with diabetes, their health care providers, and the health care system providing services to members of the Zuni Pueblo tribe and Navajo Nation. The goal is to increase access to and the quality of care provided to persons with diabetes. Research projects could examine methods of improving self-care practices related to diabetes management, appropriate care for children with diabetes or at high risk for diabetes, office practices and systems to more effectively accommodate the health care needs of persons with diabetes while being sensitive to the demands on providers and office staff, etc. The center will not engage in the direct delivery of services, but will work with the existing health care system to conduct public health research and programs. Important outcomes of diabetes care interventions are enhanced provider practices and facilitation of appropriate diabetes practice behaviors, development of patient empowerment programs, identification of barriers to care among under served populations, and coordination of existing services to better serve persons with diabetes.

2. Interventions research focused on Outreach: These interventions support targeted community diabetes screening directed at persons at high risk for diabetes who have not been previously diagnosed: and ensure that persons with previously diagnosed diabetes who may not be receiving regular care return to the health care system for monitoring and treatment and prevention services. Projects could examine screening children for type 2 diabetes, strategies for insuring that persons return for regular preventive services, etc. An important outcome of the Outreach Intervention(s) is improved, early access to diabetes care and the resulting reduction of preventable diabetic complications.

3. Interventions research focused on Health Promotion: These interventions are directed to the general population and seek to reduce risk factors associated with the development of diabetes, specifically by increasing physical activity and decreasing dietary fat intake. Research projects should be focused and targeted, e.g., examine interventions focusing on promoting lifestyle for prevention of diabetes among persons and children with risk factors, environmental and

policy changes that will facilitate prevention of diabetes among persons with risk factors for the disease, etc. Health promotion interventions should be prioritized and target sub-populations for which the potential for impact is greatest.

Interventions must reflect an approach that addresses units of practice beyond the individual and beyond clinical care and services, and links the social, policy, and ecological/environmental variables that must be changed if a reduction in the burden of diabetes is to be achieved in this population. This plan will reflect information contained in the following:

a. Qualitative and quantitative assessment of community capacity to adopt, implement and sustain diabetes prevention and control interventions.

b. Community resource analysis and identification of community institutions, services, and organizations that can assist in achieving the center research goals for members of the Navajo Nation and Zuni Pueblo tribes.

c. Strategies and success markers to insure community and researcher consensus related to all activities of the Prevention Center.

d. Design relevant training opportunities for tribal members and researchers and others with key developmental and research duties.

e. A review of published and unpublished diabetes public health prevention interventions relevant to diabetes prevention and control in Native American populations.

f. Development of a science based and theory driven menu of interventions appropriate for members of the Navajo Nation and Zuni Pueblo tribe on review of interventions above. Strategies involving health promotion interventions should focus on populations with the greatest potential for impact, i.e. children.

g. Detailed focus group evaluations to review and respond to the menu of interventions above. This evaluation will consist of several focus groups, including all segments of society—formal and informal tribal leaders, industry leaders, tribal and Federal Government agencies, restaurants, schools, children, persons with diabetes and their families, local celebrities, churches, social clubs and organizations, health professionals, etc. Focus groups and expert panels should include tribal members, health service providers, experts in diabetes and community interventions research, and others.

h. Expert panel revision and prioritization of interventions based on focus group evaluations, evidence of effectiveness, cost-effectiveness, and sustainability.

i. Appropriate strategies to protect persons who will participate in center projects.

f. Establish mechanisms to insure active and meaningful participation of targeted communities in all phases of program assessment, development, implementation, and evaluation through appropriate Native American agencies and community institutions that have demonstrated the experience, capacity, and relationships needed with the target community which will enable them to successfully deliver intervention activities in the target community, for example, sub-contracts, grants, etc.

2. Centers for Disease Control and Prevention (CDC) Activities

a. Support and/or stimulate the recipient activities by collaborating and providing scientific and public health consultation and assistance in the development of National Center activities related to the cooperative agreement.

b. Assign CDC staff persons onsite to provide technical assistance to the center, including programs addressing the national challenges of DM in Native American communities as well as the initial targeted public health program with the Navajo Nation and Zuni Pueblo tribe.

c. Collaborate in protocol development, review for human subjects protection, evaluation, data collection, quality control, data analysis and interpretation, the preparation of publications and presentation of findings.

E. Application Content

Applicant should use the information in the Program Requirements, Other Requirements, and Evaluation Criteria sections to develop the application content. The application will be evaluated on the criteria listed, so it is important to follow them in laying out the program plan. The narrative should be no more than 50 double-spaced pages, printed on one side, with one inch margins, and unreduced font. The application should contain:

1. Statement of Competence

a. Document evidence of existing experience, capabilities, expertise, etc., in areas of effective community needs assessment, theory-based public health programs, and effective strategy development; cooperative program implementation; and core public health program evaluation. Indicate evidence of formal presentation, publication and dissemination of important results and observations. Evidence of experience and formal training in community needs assessment; development of theory-based public health prevention programs; implementation of program activities; and qualitative and quantitative evaluations must be included. Documentation of experience and inclusion in the application of effective partnership development and utilization throughout all phases of the project must be explicit.

b. Clearly describe plans for establishing a National Center for public health prevention strategies targeting DM in Native American communities. Indicate sequential steps and strategies to establish a National Center; processes to insure broad collaboration and coordination among many potential partners, including, but not limited to, tribal nations, CDC and IHS; plans to systematically expand Center components to other Native American target-communities; strategies to evaluate effectiveness of a National Center, both as a leader in, and respondent to, the challenges of DM in Native American communities throughout the U.S.

c. As an initial activity of the center, describe proposed public health intervention methods targeting the Navajo Nation and Zuni Pueblo tribe. Provide a list or examples of publications, papers, and journals, and describe research or intervention activities previously conducted with the Navajo Nation and Zuni Pueblo tribe. Provide a narrative which demonstrates an understanding of the purpose of the cooperative agreement and the applicant's competence in working with these initial target populations within the context of the National Center; description of applicant's linkages, and relationships with Native American nations in general and specifically in the southwestern U.S.; experience in diabetes, applied prevention and community-based strategies; plans to engage investigators who have direct experience in establishing, working with, and/or researching diabetes related topics and community based interventions, and with a corresponding record of substantial publication in peer-reviewed scientific literature; and type of academic entity. Describe the education, professional background, and relevant experience of the principal investigator; as well as other essential investigators and consultants.

2. Objectives

Establish and submit long- and short-term objectives that are specific, measurable, time phased, realistic, and related to the purpose of this program—

a National Center and an initial public health community prevention strategy with the Navajo Nation and Zuni Pueblo tribe.

3. Operational Plan

Submit a plan that addresses the stated needs and purpose of the cooperative agreement. The plan should identify the major components of the program to include:

a. strategies/plans for protecting human subjects, and the inclusion of women, racial, and racial groups in the proposed research,

b. time table which displays the accomplishment of proposed activities, how activities will be accomplished, and who will be responsible for accomplishments,

c. methodology for selecting members of the Tribal Advisory Board and the nature and extent of the Board's activities,

d. names of individuals and/or organizations that will be proposed to serve on the Tribal Advisory Board, curriculum vitae/community service profiles, and letters of support, cooperation and partnership, including evidence of a plan to insure rotating participation on the Advisory Board,

e. methodology for assessing and building community capacity,

f. methodology for recruiting and remunerating focus group participants,

g. methodology for determining menu of theory-based public health strategies to reduce the burden of DM,

h. methodology for developing multi-year, staged plan for a National Center that would provide guidance and technical assistance to Native American communities throughout the U.S.,

i. methodology for the implementation of intervention strategies by appropriate organizations, agencies, individuals, and others who will assist in the delivery of intervention activity including competitive solicitation, for example, sub-contracts, grants, etc.,

j. methodology for developing the training component for the center,

k. methodology for establishing a surveillance system, and

l. methodology for establishing an information clearinghouse,

m. methodology for developing the multi-year, staged plan for community interventions and focused intervention research targeting members of the Navajo Nation and Zuni Pueblo tribe.

4. Partnership Development

Written indicators of cooperation and partnerships with individuals and/or organizations should be provided. Provide plans for consensus building, role clarification between partners, communications, collaboration and conflict resolution.

5. Center Management

Provide position descriptions and curricula vitae for center staff, including required knowledge, skills, and abilities and other desired qualifications and experience. Include an organization chart outlining line and staff authority. Provide problem-solving methods and program negotiation strategies intended to insure effective collaboration with tribes, CDC, IHS, Tribal Advisory Board, and Steering Committee. Provide plans for communication and coordination among all partners.

6. Evaluation Plan

Provide a plan to monitor progress and make intermediate corrections in the establishment and overall operations of the Diabetes Prevention Center. The plan should also address how the evaluation plan for intervention activities will be developed. Describe the qualifications of professionals (staff, contractors, etc.) responsible for evaluation. Qualitative and quantitative general assessment plans for the National Center should be included, as well as more specific evaluation plans for initial activities with the Navajo Nation and Zuni Pueblo tribe.

7. Budget

Submit a detailed budget and line item justification that is consistent with the purpose of the program.

Direct Assistance

To request new direct-assistance assignees, include:

1. Number of assignees requested
2. Description of the position and proposed duties

F. Submission and Deadline

Application

Submit the original and five copies of PHS–398 (OMB Number 0925–0001) (adhere to the instructions on the Errata Instruction Sheet for PHS 398). Forms are in the application kit. On or before August 7, 1998, submit the application to: Sharron P. Orum, Grants Management Officer, Grants Management Branch, Procurement and Grants Office, Announcement 98081, Centers for Disease Control and Prevention, Room 300, 255 East Paces Ferry Road, NE., Mail stop E–18, Atlanta, Georgia 30305–2209.

If application does not arrive in time for submission to the independent review group, it will not be considered in the current competition unless the applicant can provide proof that application was mailed on or before the deadline (i.e., receipt from U.S. Postal Service or a commercial carrier; private metered postmarks are not acceptable).

G. Evaluation Criteria (100 Points)

Each application will be evaluated individually against the following criteria by an independent review group appointed by CDC.

Competence (35 points): The degree to which the applicant demonstrates:

1. Demonstrated existing ability to carry out high quality research which addresses diabetes care, outreach and health promotion; as well as the necessary linkage among these three public health components. Specifically, the extent in which proposed research is focused on preventing or delaying development of disease, as well as public health approaches to secondary and tertiary prevention of complications of an already established disease will be carefully reviewed. In addition, strength of the applicant's experience and competence in diabetes and community-based intervention research for Native Americans. Also, clear evidence of an organizational commitment to scientific research as evidenced by: organizational statement that explicitly includes a research agenda, evidence of scientific productivity by the organization's researchers via published papers in peer reviewed journals, examples of recent scientific research projects conducted by the applicant, and the proportion of the organization's overall operating budget that is devoted to research.

2. Qualifications of the center director, and essential senior investigators.

3. Understanding of the purpose of the proposed program and its demonstrated ability to feasibly establish a National Center which will address strategies for reducing the burden of DM throughout Native American communities, as well as the specific, initial focus on the Navajo Nation and Zuni Pueblo tribe.

Objectives (10 points): The degree to which the proposed objectives are specific, time phased, and measurable and are consistent with the purpose of the announcement.

Operational Plan (20 points): The extent to which the operational plan appears adequate and appropriate to carry out both the development and management of the National Center, as well as the proposed community interventions, focused intervention research, and surveillance activities with the Navajo Nation and Zuni Pueblo tribe, to include a time line which identifies activities accomplished, how, and who is assigned responsibility.

Partnership Development (10 points): The degree to which the plan addresses consensus building, role clarification, communications and conflict resolution.

Center Management (10 points): The degree to which the organizational

structure and staffing of the center appears sound and the feasibility of expansion plans to address other unique needs within Native American communities and special target populations. The degree to which expert consultants are engaged in achieving the objectives of the center.

Evaluation Plan (10 points): The quality of the proposed methods for evaluating all activities related to the program, including formative, process and impact evaluation.

Human Subjects (Not Weighted): Consistent with the requirements of the federal regulations on protection of human subjects in research (45 CFR Part 46), does the proposal provide an explanation of how research activities will be reviewed so that human subjects will be protected? Do any proposed research activities seem contrary to ethical research practice?

_____ Yes
_____ No
Comments_____

Women, Racial, and Ethnic Minorities (5 points): The degree to which the applicant has met the CDC Policy requirements regarding the inclusion of women, ethnic, and racial groups in the proposed research. This includes:

1. The proposed plan for the inclusion of both sexes and racial and ethnic minority populations for appropriate representation.

2. The proposed justification when representation is limited or absent.

3. A statement as to whether the design of the study is adequate to measure differences when warranted.

4. A statement as to whether the plans for recruitment and outreach for study participants include the process of establishing partnerships with community(ies) and recognition of mutual benefits.

Budget (Not Weighted): The extent to which the budget is reasonable and consistent with the purpose and objective of the program announcement.

H. Other Requirements

Technical Reporting Requirements

Provide CDC with an original plus two copies of:

1. quarterly progress reports

2. financial status report, no more than 90 days after the end of the budget period.

3. final financial and performance reports, no more than 90 days after the end of the project period.

Send all reports to: Sharron P. Orum, Grants Management Officer, Grants Management Branch, Procurement and Grants Office, Centers for Disease Control and Prevention, Room 300, 255 East Paces Ferry Road, NE., MS E18, Atlanta, GA 30305–2209.

The following additional requirements are applicable to this program and are incorporated herein by reference. For a complete description of each, see Attachment 1 in the application kit.

AR98–1 Human Subjects Requirements
AR98–2 Requirements for Inclusion of Women and Racial and Ethnic Minorities in Research
AR98–7 Executive Order 12372 Review
AR98–8 Public Health System Reporting Requirements
AR98–9 Paperwork Reduction Act Requirements
AR98–10 Smoke-Free Workplace Requirements
AR98–11 Healthy People 2000
AR98–12 Lobbying Restrictions
AR98–15 Proof of Non-Profit Status

I. Authority and Catalog of Federal Domestic Assistance Number

This program is authorized under the Public Health Service Act, Sections 317(k)(2) [42 U.S.C. 247b(k)(2)] and 301(a) [42 U.S.C. 241(a)], as amended. The Catalog of Federal Domestic Assistance number is 93.135.

J. Where to Obtain Additional Information

Please refer to Program Announcement 98081 when you request information. For a complete program description, information on application procedures, an application package, and business management technical assistance, contact: Sharron P. Orum, Grants Management Officer, Grants Management Branch, Procurement and Grants Office, Announcement 98081, Centers for Disease Control and Prevention, Room 300, 255 East Paces Ferry Road, NE., Mailstop E–18, Atlanta, GA 30305–2209, telephone (404) 842–6805, Email address spo2@cdc.gov.

See also the CDC home page on the Internet: http://www.cdc.gov.

For program technical assistance, contact: Mr. Bud Bowen, Program Director, Division of Diabetes Translation, Centers for Disease Control and Prevention, 4770 Buford Hwy, NE., Mailstop K–10, Atlanta, GA 30341–3724, telephone (770) 488–5013, Email address, gob0@cdc.gov.

Dated: July 2, 1998.

John L. Williams,

Director, Procurement and Grants Office, Centers for Disease Control and Prevention (CDC).

[FR Doc. 98–18201 Filed 7–8–98; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

Request for Topic Specific Comments on the Revision of the Vessel Sanitation Program's Operations Manual (1989)

AGENCY: Centers for Disease Control and Prevention (CDC), Department of Health and Human Services (HHS).

ACTION: Notice of request for comments.

SUMMARY: This notice solicits topic specific information for consideration in revision of the Vessel Sanitation Program's (VSP) operations manual. The document was last revised in August 1989. Input from the cruise line industry and other interested parties is critical to this document. Comments and information provided will be used to draft a revised and expanded Operations Manual to reflect CDC's, the industry's, and others current knowledge. The specific topical areas for the revised manual are:

- Food Safety.
- Water Sanitation.
- Disease Surveillance.
- Childcare Sanitation.
- Housekeeping Sanitation.
- Pools, Spas, & Recreational Areas.
- Self-Inspection and Microbiolcgical Monitoring.
- Indoor Air Quality.
- Toxic Substances.
- Waste Management.
- Integrated Pest Management.
- Administrative Guidelines.

DATES: To be considered in the manual revision process, written comments and additional information must be received by September 8, 1998.

ADDRESSES: Requests for copies of the current Operations Manual must be made by calling (770) 488–3141. Written comments on the existing document, or suggested changes or additions for a revised document should be sent by mail or facsimile to: Daniel Harper, Chief, VSP, Mailstop F16, 4770 Buford Highway, NE., Atlanta, GA, 30341–3724, facsimile (770) 488-4127, or e-mail DMH2@CDC.GOV

SUPPLEMENTARY INFORMATION:

The Vessel Sanitation Program (VSP) is a cooperative activity between the cruise ship industry and the Centers for Disease Control and Prevention (CDC), Public Health Service, U.S. Department of Health and Human Services. This program is authorized by the Public Health Service Act Sections 361–369 [42 U.S.C. 264–272], and implementing regulations found at 42 CFR Part 71. The

purpose and goals of the VSP are to achieve and maintain a level of sanitation that will lower the risk for gastrointestinal and other disease outbreaks and assist the passenger line industry in its effort to provide a healthful environment for passengers and crew.

Comments and suggestions for revision of the manual must include appropriate text specific documentation and/or references providing the scientific support for any suggested change or addition to the current operations manual. The VSP will evaluate all comments and suggestions received and will draft a revised operations manual for discussion and review by interested parties and the public. The draft document will be circulated to the industry and others, and VSP will hold a public meeting in October or November, 1998, to allow discussion of the draft manual. The final draft of a revised operations manual is planned for January 1, 1999.

Dated: July 2, 1998.

Joseph R. Carter,

Acting Associate Director for Management and Operations, Centers for Disease Control and Prevention (CDC).

[FR Doc. 98–18197 Filed 7–8–98; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Care Financing Administration

[Document Identifier: HCFA–R–142]

Agency Information Collection Activities: Submission for OMB Review; Comment Request

In Compliance with the Requirement of section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the Health Care Financing Administration (HCFA), Department of Health and Human Services, has submitted to the Office of Management and Budget (OMB) the following proposal for the collection of information. Interested persons are invited to send comments regarding the burden estimate or any other aspect of this collection of information, including any of the following subjects: (1) the necessity and utility of the proposed information collection for the proper performance of the agency's functions; (2) the accuracy of the estimated burden; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

Type of Information Collection Request: Extension of a currently approved collection; *Title of Information Collection:* ICR's contained in BPD–339, Examination and Treatment for Emergency Medical Conditions and Women in Labor, 42 CFR 488.18, 489.20, and 489.24; *Form No.:* HCFA–R–142, OMB # 0938–0667; *Use:* The information collection requirements contained in BPD–393, Examination and Treatment for Emergency Medical Conditions and Women in Labor contains requirements for hospitals to prevent them from inappropriately transferring individuals with emergency medical conditions, as mandated by Congress. HCFA will use this information to help assure compliance with this mandate and protect the public. This information is not contained elsewhere in regulations; *Frequency:* On occasion; *Affected Public:* Business or other for-profit, Individuals or Households, not-for-profit institutions, Federal Government, and State, Local or Tribal Government; *Number of Respondents:* 7,000; *Total Annual Responses:* 7,000; *Total Annual Hours:* 1.

To obtain copies of the supporting statement for the proposed paperwork collections referenced above, E-mail your request, including your address and phone number, to Paperwork@hcfa.gov, or call the Reports Clearance Office on (410) 786–1326. Written comments and recommendations for the proposed information collections must be mailed within 30 days of this notice directly to the OMB Desk Officer designated at the following address: OMB Human Resources and Housing Branch, Attention: Allison Eydt, New Executive Office Building, Room 10235, Washington, D.C. 20503.

Dated: July 1, 1998.

John P. Burke III,

HCFA Reports Clearance Officer, HCFA, Office of Information Services, Information Technology Investment Management Group, Division of HCFA Enterprise Standards.

[FR Doc. 98–18258 Filed 7–8–98; 8:45 am]

BILLING CODE 4120–03–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Care Financing Administration

[Document Identifier: HCFA–576]

Agency Information Collection Activities: Submission for OMB Review; Comment Request

AGENCY: Health Care Financing Administration, HHS. In compliance with the requirement of section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the Health Care Financing Administration (HCFA), Department of Health and Human Services, is publishing the following summary of proposed collections for public comment. Interested persons are invited to send comments regarding this burden estimate or any other aspect of this collection of information, including any of the following subjects: (1) The necessity and utility of the proposed information collection for the proper performance of the agency's functions; (2) the accuracy of the estimated burden; (3) ways to enhance the quality, utility, and clarity of the information to be collected; and (4) the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

Type of Information Collection Request: Reinstatement, without change, of a previously approved collection for which approval has expired; *Title of Information Collection:* Organ Procurement Organization (OPO) Request for Designation and Supporting Regulations in 42 CFR 486.301–486.325; *Form No.:* HCFA–576 (OMB# 0938–0512); *Use:* The information provided on this form serves as a basis for certifying OPOs for participation in the Medicare and Medicaid programs and will indicate whether the OPO is meeting the specified performance standards for reimbursement of service. Additionally, the form is used for inputting minimal information into the Online Survey Certification Reporting (OSCAR) System.; *Frequency:* Annually; *Affected Public:* Business or other for-profit, and Not-for-profit institutions; *Number of Respondents:* 69; *Total Annual Responses:* 69; *Total Annual Hours:* 138.

To obtain copies of the supporting statement and any related forms for the proposed paperwork collections referenced above, access HCFA's Web Site address at http://www.hcfa.gov/regs/prdact95.htm, or E-mail your request, including your address, phone number, OMB number, and HCFA document identifier, to Paperwork@hcfa.gov, or call the Reports Clearance Office on (410) 786–1326. Written comments and recommendations for the proposed information collections must be mailed within 30 days of this notice directly to the OMB desk officer: OMB Human Resources and Housing Branch, Attention: Allison Eydt, New Executive Office Building, Room 10235, Washington, D.C. 20503.

Dated: July 1, 1998.

John P. Burke III,

HCFA Reports Clearance Officer, HCFA Office of Information Services, Security and Standards Group, Division of HCFA Enterprise Standards.

[FR Doc. 98–18266 Filed 7–8–98; 8:45 am]

BILLING CODE 4120–03–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

Extension of Public Comment Period on a Permit Application and an Environmental Assessment for Issuance of Permits to Allow Incidental Take of Endangered Species for Obyan Beach Resort Associates, Saipan, Commonwealth of the Northern Mariana Islands and the Commonwealth of the Northern Mariana Islands Department of Lands and Natural Resources

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice of extension.

SUMMARY: This notice announces the extension of the public comment period on the above named permit application and Environmental Assessment for the proposed incidental take of listed species pursuant to the Endangered Species Act of 1973, as amended. In response to requests for a time extension, the original public comment period that closed June 23, 1998 (63 FR 31226), is reopened until July 24, 1998, to allow adequate time for review and response by the public.

DATES: Written comments on the permit application, Habitat Conservation Plan, Environmental Assessment, Implementation Agreement, and the Saipan Upland Mitigation Bank Agreement should be received on or before July 24, 1998.

ADDRESSES: Comments should be addressed to Mr. Brooks Harper, Field Supervisor, Fish and Wildlife Service, P.O. Box 50088, Honolulu, Hawaii 96850. Comments also may be sent by facsimile to telephone (808) 541–3470.

FOR FURTHER INFORMATION CONTACT: Mr. Brooks Harper or Ms. Gina Shultz, Pacific Islands Fish and Wildlife Office, telephone (808) 541–3441.

SUPPLEMENTARY INFORMATION: This notice is provided pursuant to section 10(c) of the Endangered Species Act of 1973, as amended, and National Environmental Policy Act regulations (40 CFR 1506.6). All comments received will become part of the public record and may be released.

Dated: July 2, 1998.

Thomas Dwyer,

Acting Regional Director, Region 1, Portland, Oregon.

[FR Doc. 98–18194 Filed 7–8–98; 8:45 am]

BILLING CODE 4310–55–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

North American Wetlands Conservation Council; Meeting Announcement

AGENCY: U.S. Fish and Wildlife Service, Interior.

ACTION: Notice of meeting.

SUMMARY: The North American Wetlands Conservation Council (Council) will meet July 8, 1998 to review proposals for funding submitted pursuant to the North American Wetlands Conservation Act. Upon completion of the Council's review, proposals will be submitted to the Migratory Bird Conservation Commission with recommendations for funding. The meeting is open to the public.

DATES: July 8, 1998, Kingston, Ontario, Canada—10:00 A.M.

ADDRESSES: The meeting will be held at the Holiday Inn Kingston Waterfront, located at 1 Princess Street, Kingston, Ontario, Canada. The North American Wetlands Conservation Council Coordinator is located at U.S. Fish and Wildlife Service, 4401 N. Fairfax Drive, Suite 110, Arlington, Virginia 22203.

FOR FURTHER INFORMATION CONTACT: David A. Smith, Coordinator, North American Wetlands Conservation Council, (703) 358–1784.

SUPPLEMENTARY INFORMATION: In accordance with the North American Wetlands Conservation Act (Pub. L. 101–223, 103 Stat. 1968, December 13, 1989, as amended), the North American Wetlands Conservation Council is a Federal-State-private body which meets to consider wetland acquisition, restoration, enhancement and management projects for recommendation to and final approval by the Migratory Bird Conservation Commission. Proposals from State, Federal, and private sponsors require a minimum of 50 percent non-Federal matching funds.

Dated: July 2, 1998.

John G. Rogers,

Director, U.S. Fish and Wildlife Service.

[FR Doc. 98–18288 Filed 7–8–98; 8:45 am]

BILLING CODE 4310–55–P

DEPARTMENT OF THE INTERIOR

Geological Survey

Request for Public Comments on Information Collection Submitted to the Office of Management and Budget for Review Under the Paperwork Reduction Act

A request revising and extending the collection of information listed below has been submitted to the Office of Management and Budget for approval under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35). Copies of the proposed collection of information and related forms may be obtained by contacting the Bureau's Clearance Officer at the phone number listed below. OMB has up to 60 days to approve or disapprove the information collection but may respond after 30 days; therefore, public comments should be submitted to OMB within 30 days in order to assure their maximum consideration. Comments and suggestions on the requirement should be made directly to the Desk Officer for the Interior Department, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 and to the Bureau Clearance Officer, U.S. Geological Survey, 807 National Center, Reston, VA 20192. As required by OMB regulations at 5 CFR 1320.8(d)(1), the U.S. Geological Survey solicits specific public comments regarding the proposed information collection as to:

1. whether the collection of information is necessary for the proper performance of the functions of the Bureau, including whether the information will have practical utility;
2. the accuracy of the Bureau's estimate of the burden of the collection of information, including the validity of the methodology and assumptions used;
3. the utility, quality, and clarity of the information to be collected; and,
4. how to minimize the burden of the collection of information on those who are to respond, including the use of appropriate automated electronic, mechanical, or other forms of information technology.

Title: Ferrous Metals Surveys.

Current OMB approval number: 1032–0006.

Abstract: Respondents supply the U.S. Geological Survey with domestic production and consumption data on ferrous and related metals. This information will be published as monthly and annual reports for use by Government agencies, industry, and the general public.

Bureau form numbers: Various (18 forms).

Frequency: Monthly and Annual.
Description of respondents: Producers and consumers of ferrous and related metals.
Annual Responses: 3,560.
Annual burden hours: 1,997.
Bureau clearance officer: John E. Cordyack, Jr., 703–648–7313.

John H. DeYoung, Jr.,

Chief Scientist, Minerals Information Team.

[FR Doc. 98–18195 Filed 7–8–98; 8:45 am]

BILLING CODE 4310–Y7–M

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[CO–050–1990–00]

Closure of Public Lands

AGENCY: Bureau of Land Management, Interior.

ACTION: Closure of public lands Saguache County, CO.

SUMMARY: Notice is hereby given that effective July 6, 1998 that certain public lands, including all existing roads and trails, in Saguache County are closed to the public. The purpose of this closure is to assure public health and safety by preventing contact with contaminated soils and vegetation in the identified area. This closure is made under the authority of 43 CFR 8364.1. The public lands affected by this emergency closure are specifically identified as follows: Saguache County, Colorado

T. 45N, R. 7E., NMPM

Section 26, S½SW¼SE¼SE¼,
S½SE¼SW¼SE¼;
Section 35, N½NE¼NW¼NE¼,
N½NE¼NE¼NE¼.
20 acres total.

DATES: Effective July 6, 1998 and will remain in effect until July 5, 2000 unless revised, revoked or amended.

ADDRESSES: Bureau of Land Management, Canon City District Office, 3170 East Main Street, Canon City, Colorado 81212; Telephone (719) 269–8500; TDD (719) 269–8597 or Saguache Field Office, P.O Box 67, Saguache, CO 81149. Telephone (719) 655–2547.

FOR FURTHER INFORMATION CONTACT: Tom Goodwin, Saguache Field Office Manager, Saguache Field Office at the above address and phone number.

SUPPLEMENTARY INFORMATION: This closure does not apply to emergency, law enforcement, and federal or other government or contracted personnel and vehicles while being used for official or emergency purposes, or those persons with expressly authorized or otherwise officially approved by BLM. Violation of this order is punishable by fine and/or imprisonment as defined in 18 U.S.C. 3571. A copy of this Federal Register Notice and map showing the closure area is posted in the Canon City District Office and Saguache Field Office and in public places in the affected area.

Donnie R. Sparks,

District Manager.

[FR Doc. 98–18265 Filed 7–8–98; 8:45 am]

BILLING CODE 4310–JB–M

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[OR–010–1430–00; GP8–0240]

Meeting Notice for South Steens Subcommittee of The Southeast Oregon Resource Advisory Council

AGENCY: Lakeview District, Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: The South Steens Subcommittee of the Southeast Oregon Resource Advisory Council meeting that was scheduled for June 25 and 26, 1998, was postponed. The new meeting is scheduled for the Burns District BLM Office on July 30, 1998, at 8 am. Upon meeting, they will proceed to the South Steens allotment for a field trip. They will reconvene on July 31, 1998, at 8 am at the Burns District BLM Office. The purpose of this meeting is to gather information on the proposed projects associated with the Catlow Conservation Agreement.

DATES: July 30, 1998, and July 31, 1998.

FOR FURTHER INFORMATION CONTACT: Sonya Hickman, Bureau of Land Management, Lakeview District, P.O. Box 151, Lakeview, OR 97630, (Telephone 541–947–2177).

Scott R. Florence,

Acting Lakeview District Manager.

[FR Doc. 98–17985 Filed 7–8–98; 8:45 am]

BILLING CODE 4310–84–U

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[CA–350–1020–00]

Notice of Resource Advisory Council Meeting

AGENCY: Bureau of Land Management, Northeast California Resource Advisory Council, Susanville, California, Interior.

ACTION: Notice of meeting.

SUMMARY: Pursuant to the authorities in the Federal Advisory Committees Act (Public Law 92–463) and the Federal Land Policy and Management Act (Public Law 94–579), the U.S. Bureau of Land Management's Northeast California Resource Advisory Council will meet Thursday and Friday, August 13 and 14, 1998 at the Bureau of Land Management's Eagle Lake Field Office, 2950 Riverside Drive, Susanville, CA.

SUPPLEMENTARY INFORMATION: On Thursday, Aug. 13, the council will convene at 9 a.m. at the Eagle Lake Field Office and depart for a field tour of livestock grazing allotments in the BLM Eagle Lake Field Office area of responsibility. Members of the public are invited on the field tour, but they must provide their own transportation in a high-clearance vehicle. On Friday, Aug. 14, the council will convene at 8 a.m. in the conference room of the Eagle Lake Field Office for a business meeting. Agenda items include a recommendation on implementation of recreation user fees, implementation of healthy rangeland standards and guidelines, an update on the northeastern California mule deer project, an update on the proposed Pronghorn Area of Critical Environmental Concern, and a discussion about monitoring. Public comments will be taken at 1 p.m. Depending on the number of persons wishing to speak, a time limit could be established.

FOR ADDITIONAL INFORMATION: Contact Jeff Fontana, public affairs officer, at (530) 257–5381.

Linda D. Hansen,

Eagle Lake Field Manager.

[FR Doc. 98–18198 Filed 7–8–98; 8:45 am]

BILLING CODE 4310–40–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[OR–050–1020–00: GP8–0239]

Notice of Meeting of John Day-Snake Resource Advisory Council

AGENCY: Bureau of Land Management, Prineville District.

ACTION: Meeting of John Day-Snake Resource Advisory Council: Baker City, Oregon; August 13 & 14, 1998.

SUMMARY: A meeting of the John Day-Snake Resource Advisory Council will be held on August 13, 1998 from 8:00 a.m. to 5:00 p.m. at the Forest Service—BLM office, 3165 10th Street, Baker City, Oregon. On August 14, from 7:30 a.m. to 12 noon, the Council will take a field tour of Forest Service and BLM land near Baker City. The meeting is open to the public. Public comments

will be received at 1:00 p.m. on August 13. The field tour is open to the public, but transportation will not be provided. The August 13 session will include a briefing on Interior Columbia Basin Ecosystem Management project—subbasin review process, future RAC program of work, approval of a subgroup nomination and selection process, Hells Canyon NRA subgroup charter and member approval, briefing on listing of new fish for threatened and endangered within the RAC area, and an update of the John Day River plan subgroup.

FOR FURTHER INFORMATION CONTACT: James L. Hancock, Bureau of Land Management, Prineville District Office, 3050 NE Third Street, P.O. Box 550, Prineville, Oregon 97754, or call 541–416–6700.

Dated: June 30, 1998.

James L. Hancock,

District Manager.

[FR Doc. 98–18259 Filed 7–8–98; 8:45 am]

BILLING CODE 4310–33–M

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[NM–030–5101–00–G022; NMNM 99276]

Right-of-Way Application; New Mexico

AGENCY: Bureau of Land Management (BLM), Interior.

ACTION: Notice.

SUMMARY: This notice is to advise the public that the BLM Las Cruces Field Office, is proposing to issue a right-of-way grant to the Rio Grande Electric Cooperative, Inc., to construct a three phase overhead electrical distribution powerline (24.9 kV [phase-to-phase] and 14.4 kV [phase-to-ground]) from a substation in Dell City, Texas to a proposed pipeline pump station site located approximately 12 miles south of Piñon, New Mexico. The proposed overhead electrical distribution powerline will cross approximately 9 miles of New Mexico private land and 7.6 miles of Texas private land, approximately 10 miles of New Mexico State trust land, and 26. 2 miles of public land. The portion that crosses public land will be approximately 138,336 feet in length by 30 feet wide paralleling existing State Road 506 and County Roads EO28, FO42, and GOO1.

FOR FURTHER INFORMATION CONTACT: Lorraine J. Salas, Realty Specialist at the Bureau of Land Management, Las Cruces Field Office, 1800 Marquess, Las Cruces, New Mexico 88005, (505) 525–4388.

SUPPLEMENTARY INFORMATION: The following described public land have been identified as suitable for this action pursuant to Title V of the Federal Land Policy and Management Act of 1976, (90 Stat. 2776, 43 U.S.C. 1761) and subject to stipulations issued by the BLM.

New Mexico Principal Meridian

T. 22 S., R. 15 E.,
Section 13, S½NE¼SE¼, NW¼SE¼, SE¼NE¼SW¼, and N½SE¼SW¼.
T. 23 S., R. 15 E.,
Section 13, NE¼NE¼, SW¼NE¼, S½SE¼NW¼, NW¼NE¼SW¼, and NW¼SW¼;
Section 14, SE¼SE¼SW¼, SE¼NE¼SE¼, NE¼SW¼SE¼, S½SW¼SE¼, and N½SE¼SE¼;
Section 23, N½N½NW¼, SW¼SW¼NW¼, and SW¼SE¼SW¼;
Section 25, SW¼SW¼SW¼;
Section 26, SW¼NW¼NE¼, W½SW¼NE¼, SE¼SW¼NE¼, N½NE¼NW¼, SW¼NE¼NW¼, NE¼SE¼NW¼, E½SW¼NE¼, SE¼SW¼NE¼, SW¼NE¼SE¼, N½SE¼SE¼, and SE¼SE¼SE¼;
Section 35, NE¼NE¼.
T. 24 S., R. 15 E.,
Section 1, Lots 1 and 2, N½SE¼NE¼, and SE¼SE¼NE¼.
T. 22 S., R. 16 E.,
Section 17, SW¼NW¼SW¼, SW¼SW¼, and SW¼SE¼SW¼;
Section 18, Lot 3, and N½N½S½;
Section 20, W½SW¼NE¼, NE¼NW¼, E½SE¼NW¼, NW¼SE¼, E½SW¼SE¼, and SW¼SE¼SE¼;
Section 28, W½W½SW¼;
Section 29, E½NE¼, and E½NE¼SE¼;
Section 33: W½W½NW¼, W½NW¼SW¼, W½SW¼SW¼, and SE¼SW¼SW¼.
T. 23., R. 16 E.,
Section 4, Lot 4, W½SE¼NW¼, NE¼NE¼SW¼, and SE¼SE¼SW¼;
Section 7, Lot 4, SE¼SW¼, S½N½SE¼, NW¼SW¼SE¼, and N½SE¼SE¼;
Section 8, S½NE¼, SE¼NW¼, W½NE¼SW¼, S½NW¼SW¼, and N½SW¼SW¼;
Section 9, NE¼NW¼, SW¼NW¼, and NW¼SE¼NW¼;
Section 18, Lot 1.
T. 24 S., R. 16 E.,
Section 6, Lots 6 and 7, SE¼SW¼;
Section 17, W½SW¼NW¼, NW¼SW¼, NE¼SW¼SW¼, and W½SE¼SW¼;
Section 18, NE¼NE¼, and NE¼SE¼NE¼;
Section 20, SW¼NW¼NE¼, SW¼NE¼, E½NE¼NW¼, SW¼NE¼SE¼, E½NW¼SE¼, W½SE¼SE¼, and SE¼SE¼SE¼;
Section 28, SW¼NW¼NW¼, SW¼NW¼, W½NE¼SW¼, E½NW¼SW¼, N½SE¼SE¼, and SE¼SE¼SW¼;
Section 29, NE¼NE¼NE¼;
Section 33, W½NW¼NE¼, N½SW¼NE¼, SE¼SW¼NE¼, NE¼NE¼NW¼, and E½SE¼;
Section 34, SW¼SW¼SW¼.
T. 25 S., R. 16 E.,
Section 3, Lot 4, NE¼SW¼NW¼, W½SE¼NW¼, N½NE¼SW¼, SE¼NE¼SW¼, NE¼SE¼SW¼, and W½SW¼SE¼;
Section 11, S½NW¼SE¼, NE¼SW¼SE¼, and SE¼SE¼;
Section 12, SW¼SW¼SW¼;
Section 13, N½N½.
T. 26 S., R. 17 E.,
Section 9, W½W½;
Section 16, W½W½;
Section 21, NW¼NW¼, E½SW¼NW¼, SW¼SE¼NW¼, E½SE¼SW¼, and W½SW¼SE¼;
Section 28, W½W½NE¼, W½SE¼, SE¼NW¼SE¼, W½SW¼SE¼, and SW¼SW¼SE¼;
Section 34, Lot 1;
Section 35, Lot 4.

Containing 3,537.04 acres.

The purpose of this right-of-way is to provide electrical power to a proposed pump station for an Ultramar Diamond Shamrock existing pipeline. In addition, the new powerline will accommodate future growth in Otero County.

Dated: July 2, 1998.

Josie Banegas,

Acting Field Manager, Las Cruces.

[FR Doc. 98–18218 Filed 7–8–98; 8:45 am]

BILLING CODE 4310–VC–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[NV–942–08–1420–00]

Filing of Plats of Survey; Nevada

AGENCY: Bureau of Land Management.

ACTION: Notice.

SUMMARY: The purpose of this notice is to inform the public and interested State and local government officials of the filing of Plats of Survey in Nevada.

EFFECTIVE DATES: Filing is effective at 10:00 a.m. on the dates indicated below.

FOR FURTHER INFORMATION CONTACT: Robert H. Thompson, Acting Chief, Cadastral Survey, Bureau of Land Management (BLM), Nevada State Office, 1340 Financial Blvd., P.O. Box 12000, Reno, Nevada 89520–0006; 702–861–6541.

SUPPLEMENTARY INFORMATION:

1. The Supplemental Plats of the following described lands were officially filed at the Nevada State Office, Reno, Nevada on June 26, 1998:

The supplemental plat, showing new lottings in section 12, Township 36 North, Range 49 East, Mount Diablo Meridian, Nevada, was accepted June 26, 1998.

The supplemental plat, showing new lottings in section 13, Township 36 North, Range 49 East, Mount Diablo

Meridian, Nevada, was accepted June 26, 1998.

The supplemental plat, showing amended lottings in section 18, Township 36 North, Range 50 East, Mount Diablo Meridian, Nevada, was accepted June 26, 1998.

The supplemental plat, showing amended lottings in section 30, Township 36 North, Range 50 East, Mount Diablo Meridian, Nevada, was accepted June 26, 1998.

These supplemental plats were prepared at the request of Barrick Goldstrike Mines, Incorporated.

2. The above-listed plats are now the basic records for describing the lands for all authorized purposes. These plats have been placed in the open files in the BLM Nevada State Office and are available to the public as a matter of information. Copies of the plats may be furnished to the public upon payment of the appropriate fees.

Dated: June 30, 1998.

Robert H. Thompson,

Acting Chief Cadastral Surveyor, Nevada.

[FR Doc. 98–18263 Filed 7–8–98; 8:45 am]

BILLING CODE 4310–HC–M

INTERNATIONAL TRADE COMMISSION

[Inv. No. 337–TA–395]

Certain EPROM, EEPROM, Flash Memory, and Flash Microcontroller Semiconductor Devices, and Products Containing Same; Notice of Final Determination

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to find no violation of section 337 in the above-captioned investigation.

FOR FURTHER INFORMATION CONTACT: John A. Wasleff, Esq., Office of the General Counsel, U.S. International Trade Commission, telephone 202–205–3094.

SUPPLEMENTARY INFORMATION:

The Commission instituted this investigation on March 18, 1997, based on a complaint filed by Atmel Corporation. 62 Fed. Reg. 13706. The complaint named five respondents: Sanyo Electric Co., Ltd., Winbond Electronics Corporation and Winbond Electronics North America Corporation (collectively "Winbond"), Macronix International Co., Ltd. and Macronix America, Inc. (collectively "Macronix"). Silicon Storage Technology, Inc. ("SST") was permitted to intervene.

In its complaint, Atmel alleged that respondents violated section 337 by importing into the United States, selling for importation, and/or selling in the United States after importation electronic products and/or components that infringe one or more of claim 1 of U.S. Letters Patent 4,511,811, claim 1 of U.S. Letters Patent 4,673,829, claim 1 of U.S. Letters Patent 4,974,565 ("the '565 patent") and claims 1–9 of U.S. Letters Patent 4,451,903. The '565 patent was subsequently removed from the case. The presiding ALJ held an evidentiary hearing from December 8 to December 19, 1997.

On March 19, 1998, the ALJ issued his final ID finding that there was no violation of section 337. He found that neither claim 1 of U.S. Letters Patent 4,511,811 ("the '811 patent"), nor claim 1 of U.S. Letters Patent 4,673,829 ("the '829 patent"), nor claim 1 or claim 9 of U. S. Letters Patent 4,451,903 ("the '903 patent") was infringed by any product of the respondents or intervenor. He further found that the '903 patent was unenforceable because of waiver and implied license by legal estoppel, and that claims 2 through 8 of this patent are invalid for indefiniteness. He found that respondents and the intervenor had not demonstrated that any other claim at issue was invalid in view of any prior art before him, or that the '903 patent is void for failure to name a co-inventor. He found that complainant had not demonstrated that the '811 patent was entitled to an earlier date of invention than that appearing on the face of the patent. Finally, the ALJ found that there was a domestic industry with respect to all patents at issue.

On March 31, 1998, complainant Atmel filed a petition for review of the ALJ's final ID. On April 1, 1998, respondent Winbond filed a petition for review of the ALJ's ID. The other respondents and intervenor SST filed contingent petitions for review, raising issues to be considered in the event that the Commission determined to review certain of the ALJ's findings. In accordance with the Commission's directions, the parties filed their initial briefs on May 26, 1998, and their reply briefs on June 5, 1998. Complainant Atmel and respondent Winbond requested oral argument, which request is hereby denied.

Having examined the record in this investigation, including the ID, the review briefs, and the responses thereto, the Commission has determined that there is no violation of section 337. More specifically, the Commission finds that the '811 and '829 patents are invalid because of the preclusive effect of a decision of the United States District Court for the Northern District of California. The Commission also finds that the '903 patent is unenforceable for failure to name a co-inventor.

This action is taken under the authority of section 337 of the Tariff Act of 1930 (19 U.S.C. § 1337) and sections 210.42—.45 of the Commission's Rules of Practice and Procedure (19 C.F.R. §§ 210.42—.45).

Copies of the public version of the ID, the Commission's opinion, and all other nonconfidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street S.W., Washington, D.C. 20436, telephone 202–205–2000. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202–205–1810. General information concerning the Commission may also be obtained by accessing its Internet server (http://www.usitc.gov).

By order of the Commission.[1]

Issued: July 2, 1998.

Donna R. Koehnke,

Secretary.

[FR Doc. 98–18268 Filed 7–8–98; 8:45 am]

BILLING CODE 7020–02–P

DEPARTMENT OF JUSTICE

Office of Community Oriented Policing Services; Agency Information Collection Activities: Proposed Collection; Comment Request

ACTION: Notice of Information Collection Under Review; Grantee Satisfaction Survey.

The proposed information collection is published to obtain comments from the public and affected agencies. Comments are encouraged and will be accepted until September 8, 1998. Written comments and suggestions from the public and affected agencies concerning the proposed collection of information are requested. Comments should address one or more of the following four points:

(1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

[1] Commissioner Miller did not participate in this investigation.

(2) Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses. Written comments and/or suggestions regarding the items contained in this notice, especially regarding the estimated public burden and associated response time, should be directed to the COPS Office, PPSE Division, 1100 Vermont Ave, NW., Washington, DC 20530–0001. Comments also may be submitted to the COPS Office via facsimile to 202–633–1386. In addition, comments may be submitted to the Department of Justice (DOJ), Justice Management Division, Information Management and Security Staff, Attention: Department Clearance Officer, Suite 850, 1001 G Street, NW., Washington, DC 20530.

Overview of this information collection:

(1) *Type of Information Collection:* New collection.

(2) *Title of the Form/Collection:* Grantee Satisfaction Survey.

(3) *Agency form number, if any, and the applicable component of the Department of Justice sponsoring the collection:* Form: COPS 27/01. Office of Community Oriented Policing Services, U.S. Department of Justice.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* A sample of local law enforcement agencies that have received grant funding from the COPS Office will be surveyed regarding their perceptions and satisfaction with service received from the COPS Office.

The COPS Office has awarded hiring and redeployment grants, innovative grants, and training grants to over 10,000 law enforcement agencies nationwide. In addition to providing essential funding to enhance public safety and further the adoption of community policing by law enforcement agencies across the country, the COPS Office continues to strive to maintain a customer service orientation toward grant recipients. As such, the COPS Office is committed to providing grantees with ongoing service that reflects the highest standard of excellence and integrity in public service. The COPS Office is seeking systematic feedback from COPS grantees to track the Office's performance on a number of performance measures. This survey will allow the COPS Office to set performance goals that are consistent with the level of service that is desired by the law enforcement field and to adjust its provision of customer service as necessary to better serve its grantees.

The Grantee Satisfaction Survey will be administered to a sample of grantees via the telephone and will yield information on: the extent and content of contact between grantees and representatives of the COPS office either through phone calls, written correspondence, or site visits; satisfaction with these contacts as rated on a Likert-type scale; exposure to and satisfaction with COPS funded community policing training; and availability of and satisfaction with community policing publications produced by the COPS Office. These questions will allow the COPS Office to determine levels of satisfaction with service and will illuminate areas where the COPS Office can improve.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* The Grantee Satisfaction Survey will be administered two times per year: Approximately 2,600 respondents per year, at 30 minutes per respondent (including record-keeping).

(6) *An estimate of the total public burden (in hours) associated with the collection:* Approximately 1,300 hours.

If additional information is required contact: Mr. Robert B. Briggs, Clearance Officer, United States Department of Justice, Information Management and Security Staff, Justice Management Division, Suite 850, Washington Center, 1001 G Street, NW., Washington, DC 20530.

Dated: July 1, 1998.

Robert B. Briggs,

Department Clearance Officer, United States Department of Justice.

[FR Doc. 98–18240 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–AT–M

DEPARTMENT OF JUSTICE

Office of Community Oriented Policing Services; FY 1998 Community Policing Discretionary Grants

AGENCY: Office of Community Oriented Policing Services, Department of Justice.

ACTION: Notice of availability.

SUMMARY: The Department of Justice, Office of Community Oriented Policing Services ("COPS") announces the Visiting Fellowship Program designed to support training, technical assistance, research, program development and policy analysis to contribute to the use and enhancement of community policing to address crime and related problems in communities across the country.

The Visiting Fellowship Program is intended to offer researchers, law enforcement professionals, community leaders, and legal experts an opportunity to undertake independent research, problem development activities, and policy analysis designed to accomplish one or more of the following: improve police-citizen cooperation and communication; enhance police relationships with other components of the criminal justice system, as well as at all levels of local government; increase police and citizens' ability to solve community problems; facilitate the restructuring of law enforcement agencies to allow the most effective use of departmental and community resources; promote the effective flow and use of information both within and outside an agency; and improve law enforcement responsiveness to members of the community.

Visiting fellows will study a topic of mutual interest to the fellow and the COPS Office for up to 12 months. While in residence, fellows will contribute to the development of community policing programs that are national in scope.

DATES: The application deadline is August 7, 1998.

ADDRESSES: To obtain a copy of an application or for more information, call the U.S. Department of Justice Response Center at (202) 307–1480 or 1–800–421–6770.

FOR FURTHER INFORMATION CONTACT: The U.S. Department of Justice Response Center, (202) 307–1480 or 1–800–421–6770. The Visiting Fellowship Program application and information on the COPS Office also are available on the Internet via the COPS web site at: http://www.usdoj.gov/cops.

SUPPLEMENTARY INFORMATION:

Overview

The United States Department of Justice, Office of Community Oriented Policing Services (COPS) has been charged with the implementation of the Public Safety Partnerships and Community Policing Act of 1994 (Pub. L. 103–322). Under this law, the COPS Office provides grants, cooperative agreements, and technical assistance to increase police presence, improve police and community partnerships designed to address crime and disorder,

and enhance public safety. The Visiting Fellowship Program, which complements the COPS Office's efforts to add 100,000 officers to our nation's streets and support the development of innovative community policing strategies, is one of a wide variety of policing programs supported under this law.

The Visiting Fellowship Program is intended to offer researchers, law enforcement professionals, community leaders, and legal experts an opportunity to undertake independent research, problem development activities, and policy analysis designed to accomplish one or more of the following: improve police-citizen cooperation and communication; enhance police relationships with other components of the criminal justice system, as well as at all levels of local government; increase police and citizens' ability to solve community problems innovatively; facilitate the restructuring of agencies to allow the fullest use of departmental and community resources; promote the effective flow and use of information both within and outside an agency; and improve law enforcement responsiveness to members of the community.

Visiting Fellows will study a topic of mutual interest to the Fellows and the COPS Office for up to 12 months. While in residence, Fellows will contribute to the development of community policing programs that are national in scope.

Two types of fellowships are available: (1) Community Policing Training and Technical Assistance Fellowships and (2) Program/Policy Support and Evaluation Fellowships. Community Policing Training and Technical Assistance Fellowships will offer police practitioners and community leaders the opportunity to participate in a community policing training program that is national in scope. Fellows will work to broaden their knowledge of a training area that is directly related to community policing. The experience is intended to encourage the further development, enhancement, or renewed exploration of a particular training expertise that supports community policing. Fellows will deliver this expertise innovatively as well as provide technical assistance to others.

Program/Policy Support and Evaluation Fellowships will offer police practitioners, researchers, and policy analysts the opportunity to support innovative community policing programs, to engage in scholarly research activities to assess the effectiveness of community policing approaches and to apply policy analysis skills to support the advancement of community policing nationwide. The experience is intended to encourage the further development, enhancement, or renewed exploration of program, policy and evaluation issues that support community policing. This work will be shared with policy makers and practitioners through a variety of forums.

Grants or cooperative agreements under the Visiting Fellowship Program may support salary, fringe benefits, travel essential to the project, and miscellaneous supplies or equipment in support of the project. Reasonable relocation expenses and the cost of temporary housing also may be permitted in cases of relocation from a Fellow's permanent address.

Under the Visiting Fellowship Program, the COPS Office may award grants or enter into cooperative agreements with individuals, public agencies, colleges or universities, nonprofit organizations, and profit-making organizations willing to waive their fees.

Receiving a grant or cooperative agreement under the Visiting Fellowship Program will not affect the eligibility of an agency to receive awards under other COPS programs.

The Catalog of Federal Domestic Assistance (CFDA) reference for this program is 16.710.

Dated: June 25, 1998.

Joseph E. Brann,

Director.

[FR Doc. 98–18252 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–AT–M

DEPARTMENT OF JUSTICE

Notice of Lodging of Consent Decree Under the Comprehensive Environmental Response Compensation and Liability Act

Notice is hereby given that on June 16, 1998, a proposed Consent Decree ("decree") in *United States of America* v. *Bell Atlantic—Virginia, Inc., et al.*, Civil Action No. 3:98 CV 372 was lodged with the United States District Court for the Eastern District of Virginia.

In this action, the United States sought recovery of costs incurred by the United States Environmental Protection Agency in response to the release and threat of release of hazardous substances at the C&R Battery site in Chesterfield County, Virginia. The decree requires seventeen parties who arranged for the disposal of hazardous substances at the C&R Battery site to reimburse the United States a total of $591,285.82.

The Department of Justice will receive for a period of thirty (30) days from the date of this publication comments relating to the decree. Comments should be addressed to the Assistant Attorney General of the Environment and Natural Resources Division, Department of Justice, Washington, DC 20530, and should refer to *United States* v. *Bell Atlantic—Virginia, Inc., et al.*, D.J. Ref. #90–11–2–692/1.

The decree may be examined at the Offices of the United States Attorney for the Eastern District of Virginia, 600 East Main Street, Suite 600, Richmond, Virginia 23219, at U.S. EPA Region 3, 841 Chestnut Street, Philadelphia, PA 19107 and the Consent Decree Library, 1120 G Street, NW., 4th Floor, Washington, DC 20005, (202) 624–0892. A copy of the decree may be obtained in person or by mail from the Consent Decree Library, 1120 G Street, NW., 4th Floor, Washington, DC 20005. In requesting a copy, please enclose a check in the amount of $28.25 (25 cents per page reproduction cost) payable to the Consent Decree Library. In requesting a copy exclusive of exhibits and defendants' signatures, please enclose a check in the amount of $4.50 (25 cents per page reproduction cost) payable to the Consent Decree Library.

Joel M. Gross,

Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 98–18254 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–15–M

DEPARTMENT OF JUSTICE

Notice of Lodging of Consent Decree Pursuant to the Clean Water Act

In accordance with Departmental Policy, 28 CFR § 50.7, notice is hereby given that a Partial Consent Decree in *United States of America* v. *Calderon, et al.*, No. 96–2451 RLA (D. Puerto Rico), was lodged with the United States District Court for the District of Puerto Rico on June 10, 1998.

The proposed Partial Consent Decree would resolve the United States' allegations in this enforcement action against Defendant Construcciones Carro, the contractor who filled approximately .5 acres of herbaceous wetlands in Mayaguez Puerto Rico, without a permit under Section 404 of the Clean Water Act ("CWA"), 33 U.S.C. 1344.

The proposed Partial Consent Decree would require Defendant Carro to: (1) restore wetlands for the wetland areas impacted by the illegal discharges; and (2) pay a $10,000 civil penalty.

The Department of Justice will accept written comments relating to the

proposed Partial Consent Decree for thirty (30) days from the date of publication of this notice. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, U.S. Department of Justice, Attention: Melaine A. Williams, Environmental Defense Section, P.O. Box 23986, Washington, DC 20026–3986, and should refer to *United States* v. *Calderon, et al.*, DJ Reference No. 90–5–1–1–4413.

The proposed Partial Consent Decree may be examined at either the Clerk's Office, United States District Court, District of Puerto Rico, 150 Carlow Chardon Avenue, Hato Rey, Puerto Rico 00918–1756 (telephone number: 787–766–6160), or at the Consent Decree Library, 1120 G Street, NW., 4th Floor, Washington, DC 20005 (telephone number: 202–624–0892). Requests for a copy of the Partial Consent Decree may be mailed to the Consent Decree Library at the above address, and must include a check in the amount of $12.75.

Letitia J. Grishaw,

Chief, Environmental Defense Section, Environment and Natural Resources Division, U.S. Department of Justice.

[FR Doc. 98–18255 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–15–M

DEPARTMENT OF JUSTICE

Notice of Lodging of Consent Decree Under the Clean Water Act

Pursuant to 28 C.F.R. § 50.7, notice is hereby given that on June 26, 1998, a proposed Consent Decree in *United States* v. *The Municipality of Penn Hills*, Civil Action No. 91–1334, was lodged with the United States District Court for the Western District of Pennsylvania.

The United States has asserted, in a civil complaint under the Clean Water Act, 33 U.S.C. 1251 *et seq.*, that Penn Hills violated Section 301 of the Act, 33 U.S.C. § 1311 and its NPDES permits, issued pursuant to Section 402 of the Act, 33 U.S.C. § 1342 by discharging pollutants in excess of its permit limits and by discharging raw sewage through unlawful bypasses within the collection and treatment systems. The United States also alleged that Penn Hills failed to properly dispose of sludge, failed to properly maintain and operate its facilities, and failed to monitor and report, as required in its NPDES permits.

Pursuant to Preliminary Injunction Orders issued by the Court during the litigation of this matter, Penn Hills has connected three of its collection systems to the ALCOSAN system, and has converted three treatment plants to equalization basins. In addition, Penn Hills has constructed additional equalization basins to collect hydraulic overflows to eliminate the unlawful bypassing of raw sewage into the rivers and tributaries of the Monongahela and Allegheny Rivers.

Under the proposed Consent Decree, Penn Hills shall monitor and report any future unauthorized flows, shall monitor and report on the usage of the equalization tanks, and shall make all necessary upgrades to the Plum Creek collection and treatment system. Penn Hills shall also pay a civil penalty of $525,000, with $300,000 to be paid to the United States and $225,000 to be paid to the Commonwealth of Pennsylvania. Finally, Penn Hills shall implement three Supplemental Environmental Projects. The first requires Penn Hills to develop, design, and build a Geographic Information system for the Penn Hills sanitary sewer collection and conveyance system. The second requires Penn Hills to perform street sweeping operations on a semi-annual basis. The third requires Penn Hills to implement a household hazardous waste collection and disposal program.

The Department of Justice will receive for a period of thirty (30) days from the date of this publication comments relating to the Consent Decree. Comments should be addressed to the Assistant Attorney General of the Environment and Natural Resources Division, Department of Justice, Washington, D.C. 20530, and should refer to *United States* v. *The Municipality of Penn Hills*, Civil Action No. 91–1334, D.J. Ref. 90–5–1–1–3722.

The Consent Decree may be examined at the Office of the United States Attorney for the Western District of Pennsylvania, 633 Post Office and Courthouse, 7th & Grant Streets, Pittsburgh, PA 15219; at the Region III Environmental Protection Agency Library, Reference Desk, United States Environmental Protection Agency, Region III, 841 Chestnut Building, Philadelphia, PA 19107; and at the Consent Decree Library, 1120 G Street, N.W., 4th Floor, Washington, D.C. 20005, 202–624–0892. A copy of the Consent Decree may be obtained in person or by mail from the Consent Decree Library, 1120 G Street, N.W., 4th Floor, Washington, D.C. 20005. In requesting a copy, please enclose a check in the amount of $15.25 (25 cents per page reproduction cost) payable to the Consent Decree Library.

Joel M. Gross,

Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 98–18251 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–15–M

DEPARTMENT OF JUSTICE

Notice of Lodging of Consent Decree Pursuant to the Comprehensive Environmental Response, Compensation and Liability Act

In accordance with Departmental policy, 28 CFR § 50.7, notice is hereby given that a proposed Consent Decree in *United States* v. *Robert Odabashian, et al.* was lodged with the United States District Court for the Western District of Tennessee on June 19, 1998 (95–2361 G/Bre). The United States filed a First Amended Complaint pursuant to Section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA"), as amended, against five defendants. The First Amended Complaint alleges that the defendants are liable under Section 107 of CERCLA for costs incurred by the United States Environmental Protection Agency during a cleanup of the Pulvair Corporation Superfund Site in Millington, Tennessee. Chevron Chemical Company, Kincaid Enterprises, and Universal Cooperatives, Inc. subsequently filed a third party complaint against E.I. DuPont De Nemours & Co. ("DuPont"), among others. The proposed Consent Decree settles the liability of DuPont. Under the Consent Decree, DuPont agrees to reimburse the United States in the amount of $75,000.

The Department of Justice will receive, for a period of thirty (30) days from the date of this publication, comments relating to the proposed Consent Decree. Comments should be addressed to the Assistant Attorney General for the Environment and Natural Resources Division, U.S. Department of Justice, P.O. Box 7611, Washington, DC 20044; and refer to *United States* v. *Robert Odabashian, et al.*, DOJ Ref. #90–11–3–1474.

The proposed settlement agreement may be examined at the Office of the United States Attorney, Suite 410, 200 Jefferson Avenue, Memphis, TN 38103, and at the office of the Environmental Protection Agency, Region 4, 61 Forsyth Street, SW., Atlanta, GA 30303; and at the Consent Decree Library, 1120 G Street, NW., 4th Floor, Washington, DC 20005, (202) 624–0892. A copy of the

proposed Consent Decree may be obtained in person or by mail from the Consent Decree Library, 1120 G Street, NW., 4th Floor, Washington, DC 20005. In requesting a copy please refer to the referenced case and enclose a check in the amount of $4.25 (25 cents per page reproduction costs), payable to the Consent Decree Library.

Joel M. Gross,

Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 98–18253 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–15–M

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

Manufacturer of Controlled Substances; Notice of Application

Pursuant to Section 1301.33(a) of Title 21 of the Code of Federal Regulations (CFR), this is notice that on April 1, 1998, Aernol Pharmaceutical, Inc., 189 Meister Avenue, Somerville, New Jersey 08876, made application to the Drug Enforcement Administration (DEA) for registration as a bulk manufacturer of the basic classes of controlled substances listed below.

Drug	Schedule
N-Ethylamphetamine (1475)	I
Difenoxin (9168)	I
Amphetamine (1100)	II
Methamphetamine (1105)	II

The firm plans to manufacture the listed controlled substances to produce pharmaceutical products for its customers.

Any other such applicant and any person who is presently registered with DEA to manufacture such substances may file comments or objections to the issuance of the proposed registration.

Any such comments or objections may be addressed, in quintuplicate, to the Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration, United States Department of Justice, Washington, D.C. 20537, Attention: DEA Federal Register Representative (CCR), and must be filed no later than September 8, 1998.

Dated: June 10, 1998.

John H. King,

Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration.

[FR Doc. 98–18217 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–09–M

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

Manufacturer of Controlled Substances; Notice of Application

Pursuant to Section 1301.33(a) of Title 21 of the Code of Federal Regulations (CFR), this is notice that on January 28, 1998, Chiragene, Inc., 7 Powder Horn Drive, Warren, New Jersey 07059, made application to the Drug Enforcement Administration (DEA) for registration as a bulk manufacturer of the basic classes of controlled substances listed below.

Drug	Schedule
N-Ethylamphetamine (1475)	I
2,5-Dimethoxyamphetamine (7396).	I
3,4-Methylenedioxyamphetamine (7400).	I
4-Methoxyamphetamine (7411)	I
Amphetamine (1100)	II
Methylphenidate (1724)	II

The firm plans to manufacture the listed controlled substances to supply their customers.

Any other such applicant and any person who is presently registered with DEA to manufacture such substances may file comments or objections to the issuance of the proposed registration.

Any such comments or objections may be addressed, in quintuplicate, to the Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration, United States Department of Justice, Washington, D.C. 20537, Attention: DEA Federal Register Representative (CCR), and must be filed no later than September 8, 1998.

Dated: June 10, 1998.

John H. King,

Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration.

[FR Doc. 98–18216 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–09–M

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

Manufacturer of Controlled Substances; Notice of Application

Pursuant to Section 1301.33(a) of Title 21 of the Code of Federal Regulations (CFR), this is notice that on April 19, 1998, Damocles 10, 3529 Lincoln Highway, Thorndale, Pennsylvania 19372, made application by renewal to the Drug Enforcement Administration (DEA) for registration as a bulk manufacturer of the basic classes of controlled substances listed below.

Drug	Schedule
Heroin (9200)	I
Amphetamine (1100)	II
Methamphetamine (1105)	II
Phenmetrazine (1631)	II
Hydromorphone (9150)	II
Morphine (9300)	II

The firm plans to manufacture the listed controlled substances for the purpose of deuterium labeled internal standards for distribution to analytical laboratories.

Any other such applicant and any person who is presently registered with DEA to manufacture such substances may file comments or objections to the issuance of the proposed registration.

Any such comments or objections may be addressed, in quintuplicate, to the Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration, United States Department of Justice, Washington, DC. 20537, Attention: DEA Federal Register Representative (CCR), and must be filed no later than September 8, 1998.

Dated: June 30, 1998.

John H. King,

Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration.

[FR Doc. 98–18219 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–09–M

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

Manufacturer of Controlled Substances; Notice of Registration

By notice dated January 21, 1998, and published in the **Federal Register** on February 12, 1998 (63 FR 7181), Johnson & Johnson Pharmaceutical Partners, HC–02 Box 19250, KMO.1 Mamey Ward (HC–02 Box 19250), Gurabo, Puerto Rico 00778–9629, made application by renewal to the Drug Enforcement Administration (DEA) to be registered as a bulk manufacturer of sufentanil (9740), a basic class of controlled substance listed in schedule II.

The firm plans to manufacture sufentanil for bulk distribution to its customers.

DEA has considered the factors in Title 21, United States Code, Section 823(a) and determined that the registration of Johnson & Johnson Pharmaceutical Partners to manufacture sufentanil is consistent with the public interest at this time. Therefore, pursuant

to 21 U.S.C. 823 and 28 CFR 0.100 and 0.104, the Deputy Assistant Administrator, Office of Diversion Control, hereby orders that the application submitted by the above firm for registration as a bulk manufacturer of the basic class of controlled substance listed above is granted.

Dated: June 30, 1998.

John H. King,

Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration.

[FR Doc. 98–18290 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–09–M

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

Manufacturer of Controlled Substances; Notice of Registration

By Notice dated February 24, 1998, and published in the **Federal Register** on March 6, 1998, (63 FR 11310), Johnson Matthey, Inc., Custom Pharmaceuticals Department, 2003 Nolte Drive, West Deptford, New Jersey 08066, made application by renewal to the Drug Enforcement Administration (DEA) to be registered as a bulk manufacturer of the basic classes of controlled substances listed below.

Drug	Schedule
Difenoxin (9168)	I
Propiram (9649)	I
Amphetamine (1100)	II
Methylphenidate (1724)	II
Phenylacetone (8501)	II
Dihydrocodeine (9120)	II
Oxycodone (9143)	II
Hydromorphone (9150)	II
Hydrocodone (9193)	II
Meperidine (9230)	II
Thebaine (9333)	II
Alfentanil (9737)	II
Sufentanil (9740)	II
Carfentanil (9743)	II
Fentanyl (9801)	II

The plans to manufacture the listed controlled substances in bulk to supply final dosage form manufacturers.

DEA has considered the factors in Title 21, United States Code, Section 823(a) and determined that the registration of Johnson Matthey, Inc. to manufacture the listed controlled substances is consistent with the public interest at this time. Therefore, pursuant to 21 U.S.C 823 and 28 CFR 0.100 and 0.104, the Deputy Assistant Administrator, Office of Diversion Control, hereby orders that the application submitted by the above firm for registration as a bulk manufacturer of the basic classes of controlled substances listed above is granted.

Dated: June 10, 1998.

John H. King,

Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration.

[FR Doc. 98–18214 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–09–M

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

Manufacturer of Controlled Substances; Notice of Application

Pursuant to Section 1301.33(a) of Title 21 of the Code of Federal Regulations (CFR), this is notice that on April 17, 1998, Radian International LLC, 14050 Summit Drive #121, P.O. Box 201088, Austin, Texas 78720–1088, made application by renewal to the Drug Enforcement Administration (DEA) for registration as a bulk manufacturer of the basic classes of controlled substances listed below.

Drug	Schedule
Cathinone (1235)	I
Methcathinone (1237)	I
N-Ethylamphetamine (1475)	I
N,N-Dimethylamphetamine (1480)	I
Aminorex (1585)	I
4-Methylaminorex (cis isomer) (1590).	I
Methaqualone (2565)	I
Alpha-Ethyltryptamine (7249)	I
Lysergic acid diethylamide (7315)	I
Tetrahydrocannabinols (7370)	I
Mescaline (7391)	I
3,4,5-Trimethoxyamphetamine (7390).	I
4-Bromo-2,5-dimethoxyamphetamine (7391).	I
4-Bromo-2,5-dimethoxyphenethylamine (7392).	I
4-Methyl-2,5-dimethoxyamphetamine (7395).	I
2,5-Dimethoxyamphetamine (7396).	I
2,5-Dimethoxy-4-ethylamphetamine (7399).	I
3,4-Methylenedioxyamphetamine (7400).	I
5-Methoxy-3,4-methylenedioxyamphetamine (7401).	I
N-Hydroxy-3,4-methylenedioxyamphetamine (7402).	I
3,4-Methylenedioxy-N-ethylamphetamine (7404).	I
3,4-Methylenedioxymethamphetamine (7405).	I
4-Methoxyamphetamine (7411)	I
Bufotenine (7433)	I
Diethyltryptamine (7434)	I
Dimethyltryptamine (7435)	I
Psilocybin (7437)	I
Psilocyn (7438)	I
Codeine-N-oxide (9053)	I
Dihydromorphine (9145)	I
Heroin (9200)	I
Morphine-N-oxide (9307)	I
Normorphine (9313)	I
Pholcodine (9314)	I
Acetylmethadol (9601)	I
Allyprodine (9602)	I
Alphacetylmethadol except Levo-Alphacetylmethadol (9603).	I
Alphameprodine (9604)	I
Alphamethadol (9605)	I
Betcetylmethadol (9607)	I
Betameprodine (9608)	I
Betamethadol (9609)	I
Betaprodine (9611)	I
Hydromorphinol (9627)	I
Noracymethadol (9633)	I
Norlevorphanol (9634)	I
Normethadone (9635)	I
Trimeperidine (9646)	I
Para-Fluorofentanyl (9812)	I
3-Methylfentanyl (9813)	I
Alpha-methylfentanyl (9814)	I
Acetyl-alpha-methylfentanyl (9815).	I
Beta-hydroxyfentanyl (9830)	I
Beta-hydroxy-3-methylfentanyl (9831).	I
Alpha-Methylthiofentanyl (9832)	I
3-Methylthiofentanyl (9833)	I
Thiofentanyl (9835)	I
Amphetamine (1100)	II
Methamphetamine (1105)	II
Phenmetrazine (1631)	II
Methylphenidate (1724)	II
Amobarbital (2125)	II
Pentobarbital (2270)	II
Secobarbital (2315)	II
Glutethimide (2550)	II
Nabilone (7379)	II
1-Phenylcyclohexylamine (7460)	II
Phencyclidine (7471)	II
1-Piperidinocyclohexanecarbonitrile (8603).	II
Alphaprodine (9010)	II
Cocaine (9041)	II
Codeine (9050)	II
Dihydrocodeine (9120)	II
Oxycodone (9143)	II
Hydromorphone (9150)	II
Diphenoxylate (9170)	II
Benzoylecgonine (9180)	II
Ethylmorphine (9190)	II
Hydrocodone (9193)	II
Levomethorphan (9210)	II
Isomethadone (9226)	II
Meperidine (9230)	II
Methadone (9250)	II
Methadone-intermediate (9254)	II
Morphine (9300)	II
Levo-alphacetylmethadol (9648)	II
Oxymorphone (9652)	II
Alfentanil (9737)	II
Sufentanil (9740)	II
Fentanyl (9801)	II

The firm plans to manufacture small quantities of the listed controlled substances to make deuterated and non-deuterated drug reference standards

which will be distributed to analytical and forensic laboratories for drug testing programs.

Any other such applicant and any person who is presently registered with DEA to manufacture such substances may file comments or objections to the issuance of the proposed registration.

Any such comments or objections may be addressed, in quintuplicate, to the Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration, United States Department of Justice, Washington, D.C. 20537, Attention: DEA Federal Register Representative (CCR), and must be filed no later than September 8, 1998.

Dated; June 30, 1998.

John H. King,

Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration.

[FR Doc. 98–18220 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–09–M

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

Importation of Controlled Substances; Notice of Application

Pursuant to Section 1008 of the Controlled Substances Import and Export Act (21 U.S.C. 958(i)), the Attorney General shall, prior to issuing a registration under this Section to a bulk manufacturer of a controlled substance in Schedule I or II and prior to issuing a regulation under Section 1002(a) authorizing the importation of such a substance, provide manufacturers holding registrations for the bulk manufacture of the substance an opportunity for a hearing.

Therefore, in accordance with Section 1301.34 of Title 21, Code of Federal Regulations (CFR), notice is hereby given that on April 17, 1998, Radian International LLC, 8501 North Mopac Blvd., P.O. Box 201088, Austin, Texas 78720, made application to the Drug Enforcement Administration to be registered as an importer of the basic classes of controlled substances listed below.

Drug	Schedule
Cathinone (1235)	I
Methcathinone (1237)	I
N-Ethylamphetamine (1475)	I
Ibogaine (7260)	I
4-Bromo-2,5-dimethoxyamphetamine (7391).	I
4-Bromo-2,5-dimethoxyphenethylamine (7392).	I
4-Methyl-2,5-dimethoxyamphetamine (7395).	I
2,5-Dimethoxyamphetamine (7396).	I
2,5-Dimethoxy-4-ethylamphetamine (7399).	I
3,4-Methylenedioxyamphetamine (7400).	I
5-Methoxy-e,4-methylenedioxyamphetamine (7401).	I
3,4-Methylenedioxy-N-ethylamphetamine (7404).	I
3,4-Methylenedioxymethamphetamine (7405).	I
4-Methoxyamphetamine (7411)	I
Psilocybin (7437)	I
Psilocyn (7438)	I
Etorphine (except HCl) (9056)	I
Heroin (9200)	I
Pholcodine (9314)	I
Amphetamine (1100)	II
Methamphetamine (1105)	II
Amobarbital (2125)	II
Pentobarbital (2270)	II
Cocaine (9041)	II
Codeine (9050)	II
Dihydrocodeine (9120)	II
Oxycodone (9143)	II
Hydromorphone (9150)	II
Benzoylecgonine (9180)	II
Ethylmorphine (9190)	II
Meperidine (9230)	II
Dextropropoxyphene, bulk (non-dosage forms) (9273).	II
Morphine (9300)	II
Thebaine (9333)	II
Levo-alphacetylmethadol (9648)	II
Oxymorphone (9652)	II

The firm plans to import small quantities of the listed controlled substances for the manufacture of analytical reference standards.

Any manufacturer holding, or applying for, registration as a bulk manufacturer of this basic class of controlled substance may file written comments on or objections to the application described above and may, at the same time, file a written request for a hearing on such application in accordance with 21 CFR 1301.43 in such form as prescribed by 21 CFR 1316.47.

Any such comments, objections or requests for a hearing may be addressed, in quintuplicate, to the Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration, United States Department of Justice, Washington, D.C. 20537, Attention: DEA Federal Register Representative (CCR), and must be filed no later than August 10, 1998.

This procedure is to be conducted simultaneously with and independent of the procedures described in 21 CFR 1301.34(b), (c), (d), (e), and (f). As noted in a previous notice at 40 FR 43745–46 (September 23, 1975), all applicants for registration to import basic class of any controlled substance in Schedule I or II are and will continue to be required to demonstrate to the Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration that the requirements for such registration pursuant to 21 U.S.C. 958(a), 21 U.S.C. 823(a), and 21 CFR 1301.34(a), (b), (c), (d), (e), and (f) are satisfied.

Dated: June 24, 1998.

John H. King,

Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration.

[FR Doc. 98–18221 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–09–M

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

Manufacturer of Controlled Substances; Notice of Application

Pursuant to Section 1301.33(a) of Title 21 of the Code of Federal Regulations (CFR), this is notice that on April 1, 1998, Research Biochemicals, Inc., which has changed its name to Sigma-Aldrich Research Biochemicals, Inc., One Three Strathmore Road, Attn: Richard A. Milius PhD, Natick, Massachusetts 01760, made application by renewal to the Drug Enforcement Administration (DEA) for registration as a bulk manufacturer of the basic classes of controlled substances listed below.

Drug	Schedule
Cathinone (1235)	I
Methcathinone (1237)	I
4-Bromo-2,5-dimethoxyamphetamine (7391).	I
4-Bromo-2,5-dimethoxyphenethylamine (7392).	I
2,5-Dimethoxyamphetamine (7396).	I
3,4-Methylenedioxyamphetamine (7400).	I
N-Hydroxy-3,4-methylenedioxyamphetamine (7402).	I
3,4-Methylenedioxy-N-ethylamphetamine (7404).	I
3,4-Methylenedioxymethamphetamine (7405).	I
1-[1-(2-Thienyl)cyclohexyl]piperidine (7470).	I
Heroin (9200)	I
Methamphetamine (1105)	II
Phencyclidine (7471)	II
Benzoylecgonine (9180)	II

The firm plans to import small quantities of the listed controlled substance to manufacture laboratory reference standards and neurochemicals.

Any other such applicant and any person who is presently registered with DEA to manufacture such substances may file comments or objections to the issuance of the proposed registration.

Any such comments or objections may be addressed, in quintuplicate, to the Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration, United States Department of Justice, Washington, D.C. 20537, Attention: DEA Federal Register Representative (CCR), and must be filed no later than September 8, 1998.

Dated: June 30, 1998.

John H. King,

Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration.

[FR Doc. 98–18222 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–09–M

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

Importation of Controlled Substances; Notice of Application

Pursuant to Section 1008 of the Controlled Substances Import and Export Act (21 U.S.C. 958(i)), the Attorney General shall, prior to issuing a registration under this Section to a bulk manufacturer of a controlled substance in Schedule I or II and prior to issuing a regulation under Section 1002(a) authorizing the importation of such a substance, provide manufacturers holding registrations for the bulk manufacture of the substance an opportunity for a hearing.

Therefore, in accordance with Section 1301.34 of Title 21, Code of Federal Regulations (CFR), notice is hereby given that on April 1, 1998, Research Biochemicals, Inc., which has changed its name to Sigma-Aldrich Research Biochemicals, Inc., One Three Strathmore Road, Attn: Richard A. Milius PhD, Natick, Massachusetts 01760, made application to the Drug Enforcement Administration to be registered as an importer of the basic classes of controlled substances listed below:

Drug	Schedule
Methaqualone (2565)	I
Ibogaine (7260)	I
Tetrahydrocannabinols (7370)	I
Bufotenine (7433)	I
Dimethyltryptamine (7435)	I
Etorphine (except HC1) (9056)	I
Methylphenidate (1724)	II
Pentobarbital (2270)	II
Diprenorphine (9058)	II
Etorphine Hydrochloride (99059)	II
Diphenoxylate (9170)	II
Metazocine (9240)	II
Methadone (9250)	II
Fentanyl (9801)	II

The firm plans to import small quantities of the listed controlled substances to manufacture laboratory reference standards and neurochemicals.

Any manufacturer holding, or applying for, registration as a bulk manufacturer of these basic classes of controlled substances may file written comments on or objections to the application described above and may, at the same time, file a written request for a hearing on such application in accordance with 21 CFR 1301.54 in such form as prescribed by 21 CFR 1316.47.

Any such comments, objections, or requests for a hearing may be addressed, in quintuplicate, to the Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration, United States Department of Justice, Washington, D.C. 20537, Attention: DEA Federal Register Representative (CCR), and must be filed no later than August 10, 1998.

This procedure is to be conducted simultaneously with and independent of the procedures described in 21 CFR 1301.34(b), (c), (d), (e), and (f). As noted in a previous notice at 40 FR 43745–46 (September 23, 1975), all applicants for registration to import basic classes of any controlled substances in Schedule I or II are and will continue to be required to demonstrate to the Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration that the requirements for such registration pursuant to 21 U.S.C. 958(a), 21 U.S.C. 823(a), and 21 CFR 1301.34(a), (b), (c), (d), (e), and (f) are satisfied.

Dated: June 24, 1998.

John H. King,

Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration.

[FR Doc. 98–18223 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–09–M

DEPARTMENT OF JUSTICE

Drug Enforcement Administration

Importation of Controlled Substances; Notice of Application

Pursuant to Section 1008 of the Controlled Substances Import and Export Act (21 U.S.C. 958(i)), the Attorney General shall, prior to issuing a registration under this Section to a bulk manufacturer of a controlled substance in Schedule I or II and prior to issuing a regulation under Section 1002(a) authorizing the importation of such a substance, provide manufacturers holding registrations for the bulk manufacture of the substance an opportunity for a hearing.

Therefore, in accordance with Section 1301.34 of Title 21, Code of Federal Regulations (CFR), notice is hereby given that on March 31, 1998, Research Triangle Institute, Kenneth H. Davis, Jr., Hermann Building, East Institute Drive, P.O. Box 12194, Research Triangle Park, North Carolina 27709, made application by renewal to the Drug Enforcement Administration to be registered as an importer of the basic classes of controlled substances listed below:

Drug	Schedule
Marihuana (7360)	I
Cocaine (9041)	II

The firm plans to import small quantities of the listed controlled substances for the National Institute of Drug Abuse and other clients.

Any manufacturer holding, or applying, for, registration as a bulk manufacturer of these basic classes of controlled substances may file written comments on or objections to the application described above and may, at the same time, file a written request for a hearing on such application in accordance with 21 CFR 1301.43 in such form as prescribed by 21 CFR 1316.47.

Any such comments, objections or requests for a hearing may be addressed, in quintuplicate, to the Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration, United States Department of Justice, Washington, D.C. 20537, Attention: DEA Federal Register Representative (CCR), and must be filed no later than August 10, 1998.

This procedure is to be conducted simultaneously with and independent of the procedures described in 21 CFR 1301.34(b), (c), (d), (e), and (f). As noted in a previous notice at 40 FR 43745–46 (September 23, 1975), all applicants for registration to import the basic classes

of any controlled substances in Schedule I or II are and will continue to be required to demonstrate to the Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration that the requirements for such registration pursuant to 21 U.S.C. 958(a), 21 U.S.C. 823(a), and 21 CFR 1301.34(a), (b), (c), (d), (e), and (f) are satisfied.

Dated: June 10, 1998.

John H. King,

Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration.

[FR Doc. 98–18215 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–09–M

DEPARTMENT OF JUSTICE

Immigration and Naturalization Service

Agency Information Collection Activities: Proposed Collection; Comment Request

AGENCY: Notice of Information Collection Under Review; Data Relating to Beneficiary of Private Bill.

The Department of Justice, Immigration and Naturalization Service has submitted the following information collection request for review and clearance in accordance with the Paperwork Reduction Act of 1995. The proposed information collection is published to obtain comments from the public and affected agencies. Comments are encouraged and will be accepted for "sixty days" until September 8, 1998.

Written comments and suggestions from the public and affected agencies concerning the proposed collection of information should address one or more of the following four points:

(1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) Evaluate the accuracy of the agencies estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Overview of this information collection:

(1) *Type of Information Collection:* Extension of a currently approved collection.

(2) *Title of the Form/Collection:* Data Relating to Beneficiary of Private Bill.

(3) *Agency form number, if any, and the applicable component of the Department of Justice sponsoring the collection:* Form G–79A. Investigations Division, Immigration and Naturalization Service.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: Individuals or Households. The information is needed to report on Private Bills to Congress when requested.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 100 responses at 1 Hour per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 100 annual burden hours.

If you have additional comments, suggestions, or need a copy of the proposed information collection instrument with instructions, or additional information, please contact Richard A. Sloan 202–514–3291, Director, Policy Directives and Instructions Branch, Immigration and Naturalization Service, U.S. Department of Justice, Room 5307, 425 I Street, NW., Washington, DC 20536. Additionally, comments and/or suggestions regarding the item(s) contained in this notice, especially regarding the estimated public burden and associated response time may also be directed to Mr. Richard A. Sloan.

If additional information is required contact: Mr. Robert B. Briggs, Clearance Officer, United States Department of Justice, Information Management and Security Staff, Justice Management Division, Suite 850, Washington Center, 1001 G Street, NW., Washington, DC 20530.

Dated: July 1, 1998.

Robert B. Briggs,

Department Clearance Officer, United States Department of Justice.

[FR Doc. 98–18241 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–18–M

DEPARTMENT OF JUSTICE

Immigration and Naturalization Service

Agency Information Collection Activities: Proposed Collection; Comment Request

ACTION: Notice of Information Collection Under Review; Biographic Information.

The Department of Justice, Immigration and Naturalization Service has submitted the following information collection request for review and clearance in accordance with the Paperwork Reduction Act of 1995. The proposed information collection is published to obtain comments from the public and affected agencies. Comments are encouraged and will be accepted for "sixty days" until September 8, 1998.

Written comments and suggestions from the public and affected agencies concerning the proposed collection of information should address one or more of the following four points:

(1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) Evaluate the accuracy of the agencies' estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of response.

Overview of this information collection:

(1) *Type of Information Collection:* Extension of a currently approved collection.

(2) *Title of the Form/Collection:* Biographic Information.

(3) *Agency form number, if any, and the applicable component of the Department of Justice sponsoring the collection:* Form G–325. Adjudications Division, Immigration and Naturalization Service.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: Individuals or Households. This form is used when it is necessary to check other agency records on applications or petitions submitted by applicants for benefits

under the Immigration and Nationality Act. The form is also required for applicants of adjustment to permanent resident status and specific applicants for naturalization.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 1,144,994 Responses at 15 Minutes per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 286,249 annual burden hours.

If you have additional comments, suggestions, or need a copy of the proposed information collection instrument with instructions, or additional information, please contact Richard A. Sloan 202–514–3291, Director, Policy Directives and Instructions Branch, Immigration and Naturalization Service, U.S. Department of Justice, Room 5307, 425 I Street, NW., Washington, DC 20536. Additionally, comments and/or suggestions regarding the item(s) contained in this notice, especially regarding the estimated public burden and associated response time may also be directed to Mr. Richard A. Sloan.

If additional information is required contact: Mr. Robert B. Briggs, Clearance Officer, United States Department of Justice, Information Management and Security Staff, Justice Management Division, Suite 850, Washington Center, 1001 G Street, NW., Washington, DC 20530.

Dated: July 1, 1998.

Robert B. Briggs,

Department Clearance Officer, United States Department of Justice.

[FR Doc. 98–18242 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–18–M

DEPARTMENT OF JUSTICE

Immigration and Naturalization Service

Agency Information Collection Activities: Proposed Collection; Comment Request

ACTION: Notice of Information Collection Under Review; Reengineered Foreign Students Pilot Program.

The Department of Justice, Immigration and Naturalization Service has submitted the following information collection request for review and clearance in accordance with the Paperwork Reduction Act of 1995. The proposed information collection is published to obtain comments from the public and affected agencies. Comments are encouraged and will be accepted for "sixty days" until September 8, 1998.

Written comments and suggestions from the public and affected agencies concerning the proposed collection of information should address one or more of the following four points:

(1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) Evaluate the accuracy of the agencies' estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Overview of this information collection:

(1) *Type of Information Collection:* Extension of a currently approved information collection.

(2) *Title of the Form/Collection:* Reengineered Foreign Students and Schools Pilot Program.

(3) *Agency form number, if any, and the applicable component of the Department of Justice sponsoring the collection:* No Agency Form Number. Adjudications Division, Immigration and Naturalization Service.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: Not-for-profit institutions, Business or other for-profit. The INS and the United States Information Agency (USIA) are initiating a pilot project to test a prototype of a Reengineered Foreign Student and School Program as mandated under Subtitle D, Section 641 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996. The purpose of the pilot is to test an administrative process to use a computer-supported notification and reporting process from schools to the INS regarding foreign students and exchange visitors through the duration of their status in the United States.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 50 Respondents at 60 Hours per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 3,000 annual burden hours.

If you have additional comments, suggestions, or need a copy of the proposed information collection instrument with instructions, or additional information, please contact Richard A. Sloan 202–514–3291, Director, Policy Directives and Instructions Branch, Immigration and Naturalization Service, U.S. Department of Justice, Room 5307, 425 I Street, NW., Washington, DC 20536. Additionally, comments and/or suggestions regarding the item(s) contained in this notice, especially regarding the estimated public burden and associated response time may also be directed to Mr. Richard A. Sloan.

If additional information is required contact: Mr. Robert B. Briggs, Clearance Officer, United States Department of Justice, Information Management and Security Staff, Justice Management Division, Suite 850, Washington Center, 1001 G Street, NW, Washington, DC 20530.

Dated: July 1, 1998.

Robert B. Briggs,

Department Clearance Officer, United States Department of Justice.

[FR Doc. 98–18243 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–18–M

DEPARTMENT OF JUSTICE

Immigration and Naturalization Service

Agency Information Collection Activities: Proposed Collection; Comment Request

ACTION: New Information Collection: Screening Requirements of Carriers.

The Department of Justice, Immigration and Naturalization Service (INS) has submitted the following information collection request to the Office of Management and Budget (OMB) for review and clearance in accordance with the Paperwork Reduction Act of 1995. The information collection is contained in the supplemental portion of a Final Rule (INS No. 1697–95) which INS published in the **Federal Register** on April 30, 1998 at 63 FR 23643. The final rule provided for a 60-day public comment period for the information collection. No comments were received by the INS on this information collection.

The purpose of this notice is to allow an additional 30 days for public comments. Comments are encouraged and will be accepted until August 10,

1998. This process is conducted in accordance with 5 CFR 1320.10.

Written comments and/or suggestions regarding the items contained in this notice, especially regarding the estimated public burden and associated response time, should be directed to the Office of Management and Budget, Office of Information and Regulatory Affairs, Attention: Dan Chenok, Department of Justice Desk Officer, Room 10235, Washington, DC 20530; 202–395–7316.

Written comments and suggestions from the public and affected agencies concerning the proposed collection of information should address one or more of the following four points:

(1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) Evaluate the accuracy of the agencies, estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Overview of this information collection:

(1) *Type of Information Collection:* New information collection.

(2) *Title of the Form/Collection:* Screening Requirements of Carriers.

(3) *Agency form number, if any, and the applicable component of the Department of Justice sponsoring the collection:* No agency form number. Inspections Division, Immigration and Naturalization Service.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: Business or other for-profit. The information collection is used by the immigration and Naturalization Service to determine whether sufficient steps are taken by a carrier demonstrating improvement in the screening of its passengers in order for the carrier to be eligible for automatic fines mitigation.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 65 responses at 100 hours per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 6,500 annual burden hours.

If you have additional comments, suggestions, or need a copy of the proposed information collection instrument with instructions, or additional information, please contact Richard A. Sloan 202–514–3291, Director, Policy Directives and Instructions Branch, Immigration and Naturalization Service, U.S. Department of Justice, Room 5307, 425 I Street, NW., Washington, DC 20536. Additionally, comments and/or suggestions regarding the item(s) contained in this notice, especially regarding the estimated public burden and associated response time may also be directed to Mr. Richard A. Sloan.

If additional information is required contact: Mr. Robert B. Briggs, Clearance Officer, United States Department of Justice, Information Management and Security Staff, Justice Management Division, Suite 850, Washington Center, 1001 G Street, NW, Washington, DC 20530.

Dated: July 1, 1998.

Robert B. Briggs,

Department Clearance Officer, United States Department of Justice.

[FR Doc. 98–18244 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–18–M

DEPARTMENT OF JUSTICE

Immigration and Naturalization Service

Agency Information Collection Activities: Proposed Collection; Comment Request

ACTION: Notice of information collection under review; alien change of address card.

The Department of Justice, Immigration and Naturalization Service has submitted the following information collection request for review and clearance in accordance with the Paperwork Reduction Act of 1995. The proposed information collection is published to obtain comments from the public and affected agencies. Comments are encouraged and will be accepted for "sixty days" until September 8, 1998.

Written comments and suggestions from the public and affected agencies concerning the proposed collection of information should address one or more of the following four points:

(1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) Evaluate the accuracy of the agencies' estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Overview of this information collection:

(1) *Type of Information Collection: Extension of a currently approved collection.*

(2) *Title of the Form/Collection:* Alien Change of Address Card.

(3) *Agency form number, if any, and the applicable component of the Department of Justice sponsoring the collection:* Form AR–11. Records Operations, Immigration and Naturalization Service.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: Individuals or Households. Section 265 of the Immigration and Nationality Act requires aliens in the United States to inform the Immigration and Naturalization Service of any change of address. This form provides a standardized format for compliance.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 250,000 responses at 5 minutes (.083) per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 20,750 annual burden hours.

If you have additional comments, suggestions, or need a copy of the proposed information collection instrument with instructions, or additional information, please contact Richard A. Sloan 202–514–3291, Director, Policy Directives and Instructions Branch, Immigration and Naturalization Service, U.S. Department of Justice, Room 5307, 425 I Street, NW., Washington, DC 20536. Additionally, comments and/or suggestions regarding the item(s) contained in this notice, especially regarding the estimated public burden and associated response time may also be directed to Mr. Richard A. Sloan.

If additional information is required contact: Mr. Robert B. Briggs, Clearance

Officer, United States Department of Justice, Information Management and Security Staff, Justice Management Division, Suite 850, Washington Center, 1001 G Street, NW., Washington, DC 20530.

Dated: July 1, 1998.

Robert B. Briggs,

Department Clearance Officer, United States Department of Justice.

[FR Doc. 98–18246 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–18–M

DEPARTMENT OF JUSTICE

Immigration and Naturalization Service

Agency Information Collection Activities: Proposed Collection; Comment Request

ACTION: Notice of Information Collection Under Review; Freedom of Information/ Privacy Act Request.

The Department of Justice, Immigration and Naturalization Service has submitted the following information collection request for review and clearance in accordance with the Paperwork Reduction Act of 1995. The proposed information collection is published to obtain comments from the public and affected agencies. Comments are encouraged and will be accepted for "sixty days" until September 8, 1998.

Written comments and suggestions from the public and affected agencies concerning the proposed collection of information should address one or more of the following four points:

(1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) Evaluate the accuracy of the agencies estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Overview of this information collection:

(1) *Type of Information Collection:* Extension of a currently approved collection.

(2) *Title of the Form/Collection:* Freedom of Information/Privacy Act Request.

(3) *Agency form number, if any, and the applicable component of the Department of Justice sponsoring the collection:* Form G–639, FOIA/PA Section, Immigration and Naturalization Service.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: Individuals or Households. This form is provided as a convenient means for persons to provide data necessary for identification of a particular record desired under FOIA/PA.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 25,000 responses at 15 Minutes per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 6,250 annual burden hours.

If you have additional comments, suggestions, or need a copy of the proposed information collection instrument with instructions, or additional information, please contact Richard A. Sloan 202–514–3291, Director, Policy Directives and Instructions Branch, Immigration and Naturalization Service, U.S. Department of Justice, Room 5307, 425 I Street, NW., Washington, DC 20536. Additionally, comments and/or suggestions regarding the item(s) contained in this notice, especially regarding the estimated public burden and associated response time may also be directed to Mr. Richard A. Sloan.

If additional information is required contact: Mr. Robert B. Briggs, Clearance Officer, United States Department of Justice, Information Management and Security Staff, Justice Management Division, Suite 850, Washington Center, 1001 G Street, NW., Washington, DC 20530.

Dated: July 1, 1998.

Robert B. Briggs,

Department Clearance Officer, United States Department of Justice.

[FR Doc. 98–18247 Filed 7–8–98; 8:45 am]

BILLING CODE 4410–18–M

DEPARTMENT OF LABOR

Employment and Training Administration

Notice of a Change in Status of an Extended Benefits (EB) Period for Alaska

This notice announces a change in benefit period eligibility under the EB Program for Alaska.

Summary

The following change has occurred since the publication of the last notice regarding the State's EB status:

• May 16, 1998 Alaska's 13-week insured unemployment rate for the week ending May 16, 1998, fell below 6.0 percent and was less than 120 percent of the average for the corresponding period for the prior two years, causing Alaska to trigger "off" EB effective June 7, 1998.

Information for Claimants

The duration of benefits payable in the EB Program, and the terms and conditions on which they are payable, are governed by the Federal-State Extended Unemployment Compensation Act of 1970, as amended, and the operating instructions issued to the States by the U.S. Department of Labor. In the case of a State beginning an EB period, the State employment security agency will furnish a written notice of potential entitlement to each individual who has exhausted all rights to regular benefits and is potentially eligible for EB (20 CFR 615.13(c)(1)). In the case of a State ending an EB period, the State employment security agency will furnish a written notice of the EB period and its effect on individual rights to EB (20 CFR 615.13(c)(4)) to each individual who is filing a claim for EB.

Persons who believe they may be entitled to EB, or who wish to inquire about their rights under the programs, should contact the nearest State employment service office or unemployment compensation claims office in their locality.

Signed at Washington, D.C. on July 2, 1998.

Raymond Uhalde,

Acting Assistant Secretary of Labor for Employment and Training.

[FR Doc. 98–18224 Filed 7–8–98; 8:45 am]

BILLING CODE 4510–30–M

DEPARTMENT OF LABOR

Employment and Training Administration

Dialogue on Unemployment Insurance Reform; Notice of Public Meetings

When President Clinton signed his 1999 budget proposals, he set in motion a reform of the Unemployment Insurance (UI) program. On March 13, 1998, Secretary of Labor Alexis Herman announced a "Dialogue" to examine the UI program and the related Employment Service IES) program in light of a changing economy. The framework for the "Dialogue" was set forth in the Dialogue Paper which as been mailed to stakeholders and other interested parties. This paper can also be found on the Internet at www.dol.gov. The "Dialogue" will allow interested parties to comment on a broad array of questions about the programs' effectiveness and will take place over the next year through several venues and forums, i.e., stakeholders meetings, public meetings. Major "Dialogue" issues for discussion include:

Individual Economic Adjustment: How well does the UI program help individuals unemployment workers by providing adequate financial resources and promoting transition to employment? Who should receive benefits; what kinds of reemployment services should he provided and how could these reemployment services be made more effective?

Macroeconomic Stabilizer: How well does the UI program serve as a counter-cyclical macroeconomic stabilizer—does it serve to stabilize the economy locally, regionally, nationally? How could the program's performance be improved?

Insurance Concepts: How well does the UI program operate in terms of core insurance principles of forward funding, risk pooling, and solvency? How well does the program accumulate resources for payment during periods of economic downturn? How well does the program operate in terms of pooling risks for employers and States? What are the consequences of diverging from these insurance principles?

Financing Benefits: How should the UI benefit financing structure work to assure efficiency, equity and incentives? To what extent should employer tax rates be based on experience with unemployment? How could employer reporting and record keeping be streamlined?

Financing Administration: How should the administration of the UI and ES programs be financed? How well does the administrative financing system respond to workload changes over the business cycle? How should the administrative financing system encourage efficient and cost-effective operations?

Federal-State System: How should the Federal-State partnership work to assure a basic national UI program that reflects differences among the States? How can the partnership be improved? Are any changes needed in the division of responsibilities, such as financing, benefit structures, or oversight? What should be the relationship between UI and ES? What form should ES take in the future?

Time and Place: Two meetings will be held, the first on August 4, 1998 in Seattle, Washington and the second on August 11, 1998 in Philadelphia, Pennsylvania. The Seattle meeting will be held at the Seattle Airport Doubletree Hotel, 18740 Pacific Highway South, from 10 a.m. to 3:30 p.m. The Philadelphia meeting will be held at the Philadelphia Airport Marriott Hotel, Arrivals Road, from 11:30 a.m. to 5:00 p.m. More meetings will be held.

Agenda: Agenda topics include the following:

(a) Opening remarks—purpose/overview of meeting, introduction of discussion leaders
(b) Description of Dialogue Issues
(c) Oral Testimony
(d) Open discussion of Dialogue Issues
(e) Closing remarks

Public Participation: The meeting will be open to the public. Seating will be available to the public on a first-come, first-served basis. Seats will be reserved for the media. Individuals with disabilities should contact the Regional Coordinators, listed below, if special accommodations are needed. Individuals or organizations wishing to present oral testimony should contact the Regional Coordinator, and those wishing to submit written statements should send five (5) copies to the Regional Coordinator.

For Additional Information Contact: Seattle Coordinators—Larry Heasty and Bill James (206 553–7700), U.S. Department of Labor/ETA, 1111 Third Ave., Suite 900, Seattle WA 98101–3213. Philadelphia Coordinators—Leo Bull (215 596—0778), Rosemary Williams—Raysor (215 596–1411), and April Hunt (215 596–0789), U.S. Department of Labor/ETA, P.O. Box 8796, Philadelphia, PA 19101

Signed at Washington, D.C. this 30th day of June 1998.

Raymond J. Uhalde,

Acting Assistant Secretary of Labor.

[FR Doc. 98–18225 Filed 7–8–98; 8:45 am]

BILLING CODE 4510–30–M

NUCLEAR REGULATORY COMMISSION

[Docket Nos. 50–387 and 50–388]

Pennsylvania Power & Light Company, Susquehanna Steam Electric Station (Units 1 & 2); Confirmatory Order Modifying Licenses Effective Immediately

I

Pennsylvania Power & Light Company, (PP&L or the Licensee) is the holder of Facility Operating Licenses Nos. NPF–17 and NPF–22, which authorize operation of Susquehanna Steam Electric Station Units 1 and 2, located in Luzerne County, Pennsylvania.

II

The staff of the U.S. Nuclear Regulatory Commission (NRC) has been concerned that Thermo-Lag 330–1 fire barrier systems installed by licensees may not provide the level of fire endurance intended and that licensees that use Thermo-Lag 330–1 fire barriers may not be meeting regulatory requirements. During the 1992 to 1994 time frame, the NRC staff issued Generic Letter (GL) 92–08, "Thermo-Lag 330–1 Fire Barriers" and subsequent requests for additional information that requested licensees to submit plans and schedules for resolving the Thermo-Lag issue. The NRC staff has obtained and reviewed all licensees' corrective plans and implementation schedules. The staff is concerned that some licensees may not be making adequate progress toward resolving the plant-specific issues, and that some implementation schedules may be either too tenuous or too protracted. For example, several licensees informed the NRC staff that their completion dates had slipped by 6 months to as much as 3 years. For plants that have completion action scheduled beyond 1997, the NRC staff has met with the licensees to discuss the progress of the licensees' corrective actions and the extent of licensee management attention regarding completion of Thermo-Lag corrective actions.

PP&L was one of the licensees with which the NRC staff held meetings. At these meetings, the NRC staff reviewed with PP&L the schedule of Thermo-Lag corrective actions described in the PP&L submittals to the NRC dated April 15, 1993; February 3 and December 22, 1994; August 2, 1995; February 4, 1997; and January 6 and May 4, 1998. Based on the information submitted by PP&L, the NRC staff has concluded that the schedules presented by PP&L are reasonable. This conclusion is based on the (1) amount of installed Thermo-Lag, (2) the complexity of the plant-specific fire barrier configurations and issues, and (3) the need to perform certain plant modifications during outages as opposed to those that can be performed while the plant is at power. In order to remove compensatory measures such as fire watches, it has been determined that resolution of the Thermo-Lag corrective actions by PP&L must be completed in accordance with current PP&L's schedules. By letter dated May 19, 1998, the NRC staff notified PP&L of its plan to incorporate PP&L's schedule commitment into a requirement by issuance of an Order and requested consent from the Licensee. By letter dated June 3, 1998, the Licensee provided its consent to issuance of a Confirmatory Order.

III

The Licensee's commitment as set forth in its letter of June 3, 1998, is acceptable and is necessary for the NRC to conclude that public health and safety are reasonably assured. To preclude any schedule slippage and to assure public health and safety, the NRC staff has determined that the Licensee's commitment in its June 3, 1998, letter be confirmed by this Order. The Licensee has agreed to this action. Based on the above, and the Licensee's consent, this Order is immediately effective upon issuance.

IV

Accordingly, pursuant to sections 103, 161b, 161i, 161o, 182, and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202 and 10 CFR Part 50, IT IS HEREBY ORDERED, effective immediately, that:

Pennsylvania Power & Light Company shall complete final implementation of Thermo-Lag 330–1 fire barrier corrective actions at Susquehanna Steam Electric Station, Units 1 and 2, described in the Pennsylvania Power & Light Company's submittals to the NRC dated April 15, 1993; February 3 and December 22, 1994; August 2, 1995; February 4, 1997; and January 6 and May 4, 1998, by completion of the April 2000 refueling outage for SSES, Unit 1. Overall work package closeout will be completed by the end of December 2000.

The Director, Office of Nuclear Reactor Regulation, may relax or rescind, in writing, any provisions of this Confirmatory Order upon a showing by the Licensee of good cause.

V

Any person adversely affected by this Confirmatory Order, other than the Licensee, may request a hearing within 20 days of its issuance. Where good cause is shown, consideration will be given to extending the time to request a hearing. A request for extension of time must be made in writing to the Director, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, and include a statement of good cause for the extension.

Any request for a hearing shall be submitted to the Secretary, U.S. Nuclear Regulatory Commission, Attention: Chief, Rulemaking and Adjudications Staff, Washington, D.C. 20555. Copies of the hearing request shall also be sent to the Director, Office of Nuclear Reactor Regulation, U. S. Nuclear Regulatory Commission, Washington, D. C. 20555, to the Deputy Assistant General Counsel for Enforcement at the same address, to the Regional Administrator, NRC Region I, 475 Allendale Road, King of Prussia, Pennsylvania 19406–1415 and to the Licensee. If such a person requests a hearing, that person shall set forth with particularity the manner in which his/her interest is adversely affected by this Order and shall address criteria set forth in 10 CFR 2.714(d).

If a hearing is requested by a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any such hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Confirmatory Order should be sustained.

In the absence of any request for hearing, or written approval of an extension of time in which to request a hearing, the provisions specified in Section IV above shall be final 20 days from the date of this Order without further order or proceedings. If an extension of time for requesting a hearing has been approved, the provisions specified in Section IV shall be final when the extension expires if a hearing request has not been received. An answer or a request for hearing shall not stay the immediate effectiveness of this Order.

For the Nuclear Regulatory Commission.

Dated at Rockville, Maryland this 2nd day of July 1998.

Samuel J. Collins,

Director, Office of Nuclear Reactor Regulation.

[FR Doc. 98–18228 Filed 7–8–98; 8:45 am]

BILLING CODE 7590–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–40161; International Series Release No. 1144; File No. 10–101]

Tradepoint Financial Networks plc; Notice of Application for Limited Volume Exemption From Registration as an Exchange Under Section 5 of the Securities Exchange Act

July 2, 1998.

AGENCY: Securities and Exchange Commission.

ACTION: Request for Comments.

SUMMARY: The Securities and Exchange Commission ("SEC" or "Commission") is soliciting comments on whether to grant an exemption from registration as an exchange under Section 5 of the Securities Exchange Act of 1934 ("Exchange Act") to Tradepoint Financial Networks plc on the basis of expected low volume.

DATES: Comments must be received on or before August 10, 1998.

ADDRESSES: Interested persons should submit three copies of their written data, views and opinions to Jonathan G. Katz, Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Comments may also be submitted electronically at the following e-mail address: rule-comments@sec.gov. All comment letters should refer to File No. 10–101; this file number should be included on the subject line if comments are submitted using e-mail. All submissions will be available for public inspection and copying at the Commission's Public Reference Room, Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549. Electronically submitted comment letters will be posted on the Commission's Internet web site (http://www.sec.gov).

FOR FURTHER INFORMATION CONTACT: For questions or comments regarding this release, contact: Sheila C. Slevin, Assistant Director, at (202) 942–0796 or Constance B. Kiggins, Special Counsel, at (202) 942–0059; Division of Market Regulation, Securities and Exchange Commission, Mail Stop 10–1, 450 Fifth Street, N.W., Washington, D.C. 20549. For questions or comments regarding corporate disclosure and securities

registration issues raised in this release, contact Paul Dudek, Office Chief, at (202) 942–2990, Division of Corporation Finance, Securities and Exchange Commission, Mail Stop 3–2, 450 Fifth Street, N.W., Washington, D.C. 20549.

SUPPLEMENTARY INFORMATION:

I. Introduction

Tradepoint Financial Networks plc (the "Company" or the "Exchange") operates as a securities exchange from facilities in London under the marketing name Tradepoint Stock Exchange. It is a Recognized Investment Exchange under section 37(3) of the U.K. Financial Services Act 1986. The Exchange does not have a physical trading floor; it is a screen-based electronic market for the trading of securities (the "Tradepoint System"). All of the securities currently traded through the Tradepoint System are listed on the London Stock Exchange (the "LSE"), which is the primary market for those securities.

By letter dated November 20, 1997, the Company filed with the Commission, pursuant to Section 5 of the Exchange Act, an application for exemption under Section 5 from registration as a national securities exchange under Section 6 of the Exchange Act if the Company operates the Tradepoint System in the United States. The Company anticipates that the Exchange will account for limited volume in trading of securities.[1]

II. Description of the Tradepoint System[2]

The Exchange is an alternative market to the LSE. As mentioned above, all of the stocks currently traded on the Exchange are listed on the LSE. The Exchange does not "list" securities; it offers trading only in securities listed on other exchanges, and presently offers trading only in certain securities listed on the LSE.

From its facilities in London, the Exchange supplies automated trading services to market-makers, broker-dealers and institutional investors (collectively, "Members") on identical terms and conditions. Potential Members must meet the eligibility requirements of the Exchange.[3] Members are not "members" of the Exchange in the sense that a member of a national securities exchange is a member: status as a Member of the Exchange does not carry voting rights or any other rights, other than the right to trade using the Tradepoint System.[4]

The Exchange provides to its Members an electronic, order-driven market that handles order entry and management, information display, matching, execution, and immediate trade publication and settlement message routing. Members are able to access the current market position in any security traded on the Exchange; monitor selected market information provided by the Exchange in real time; enter or revise orders; send orders to the relevant instant auction and/or periodic auction books for execution (described below); set up, access, and request trading and market reports; and input settlement routing instructions.

In addition to these functions, the Exchange also supports order processing and management of the order book; order book display and updating; maintenance of individual trading status books; maintenance and updating of individual stock watch lists; and market supervision, surveillance and compliance. Most of these functions are controlled by the Exchange, but allow for some customization by the Member.

The Exchange maintains an electronic order book for each traded security. Members enter a bid or an offer directly into the Tradepoint System. Orders have time/price priority. Those orders with the best bid or offer price are prioritized according to the time they are entered into the Tradepoint System. Prices and volumes are displayed automatically and simultaneously to all Members. Members have the option to display their entire order, or they may choose to display only part of their order; however, the minimum size for any order is one thousand shares. If only part of the order is displayed, the Member may direct the Tradepoint System to update the order when certain conditions have been met, such as when their displayed order has been filled. Orders that are not displayed are at the end of the queue for time priority, and when an undisplayed order becomes a displayed order, it goes into the electronic order book at the end of the queue. The Tradepoint System is anonymous; the names of the Members are not displayed to other Members and are revealed only upon clearance and settlement.

In order for a Member to access the Tradepoint System, he or she must have a Personal Identification Number ("PIN"), which is assigned by the Exchange.[5] Access to the Tradepoint System in the United Kingdom is currently available through an internal network of personal computers ("PCs"), via a stand alone PC, through a separate application on an existing Reuters RT terminal, ICV–Topic 3 Trader workstation, through a Liberty InterTrade Direct Screen, or through a Bloomberg terminal. Access to the Tradepoint System in the United States would be exclusively through Bloomberg terminals.[6] In the future, the Exchange's screens may be accessible from other distributors of information services.

The Exchange operates two types of auctions: instant and periodic. A security may be traded in either an instant auction or a periodic auction, but not both. In the instant auction, orders are matched electronically, in full or in part, at the posted and accepted price. Execution is automatic and continuous. Thus, a Member's orders are executed as soon as a contra-side order reaches the order book.

The periodic auction is used for smaller capitalization and infrequently traded securities. It allows orders for these securities to accumulate over a period of time at the end of which the central computer matches qualifying buy and sell orders at a "balance price."[7] All transactions in a given periodic auction take place at the balance price; during the period leading up to the auction, a projected balance price is recalculated each time a new order is entered into the Tradepoint System. This projected balance price is continuously displayed during the time before the auction. Orders can be

[1] See Letter from Joseph S. Cohn, Davis Polk & Wardwell, counsel for the Company, to Jonathan G. Katz, Secretary, dated November 20, 1997, available in the Commission's Public Reference Room. On April 6, 1998, the Company filed an amendment to the filing. On June 30, 1998, the Company filed a second amendment to the filing. Both amendments are also available in the Commission's Public Reference Room.

[2] This description is based upon the material representations made by the Company in its application requesting the exemption, see *supra note* 1.

[3] These requirements are set forth in Tradepoint Market Rule 3.4 (see Exhibit A(2)(b) of the Company's application). Requirements include that the applicant is authorized to conduct investment business; that the applicant has arranged for clearing arrangements with an Exchange Clearing Member (a Member of the Exchange that is also a member of the London Clearing House, as more fully described below); and that the applicant meets the standards of financial responsibility and operational capability prescribed by the Exchange.

[4] The Company is listed on the Vancouver Stock Exchange and on the Alternative Investment Market of the LSE. Unlike U.S. national securities exchanges, which are owned by their members, the Exchange is a publicly held, for-profit company.

[5] All individuals who have access to the Tradepoint System must have completed training from representatives of the Exchange in the use of the System.

[6] Access from terminals other than Bloomberg in the U.S. would be considered a material change to the manner in which the Exchange is offering its services in the U.S. and would require SEC notification.

[7] The "balance price" is calculated so that the maximum possible number of buy and sell orders in the auction will be matched.

amended and withdrawn up to the commencement of the periodic auction. Bids above and offers below the balance price are executed at the balance price (lowest offers and highest bids are filled first). Orders at the balance price are matched on a time priority basis, to the extent that there are equal bids and offers. Bids below and offers above the balance price are not filled, but they may remain on the Tradepoint System after the auction to be carried forward to the next auction at the Member's discretion. Periodic auctions take place at specified times during the trading day with the frequency determined by trading patterns in individual securities as well as other market requirements. There is no set time for the periodic auctions, and there is no set number of periodic auctions. According to the Exchange, the frequency of the periodic auctions is designed to maximize liquidity in each security.[8]

Members of the Exchange are also able to enter "cross trades." Cross trades are trades between two customers of the same firm that take place between the posted bid and offer. These orders are exposed to the Exchange's book prior to the cross. To effect a cross trade, a Member will simultaneously enter a bid and an offer for a security, which will match ("cross") after exposure to the electronic order book.[9] Thus, cross trades are entered into the Tradepoint System by the firm essentially for reporting purposes.

In addition, the Exchange may create a "specialist" capability for some of the stocks traded on the Exchange. The Exchange would enter into an arrangement with a specific Member who would commit to providing liquidity with respect to a particular security ("Committed Liquidity Provider" or "CLP"). The CLP would function in a manner similar to that of a specialist on a U.S. exchange. The CLP would enter a bid or an offer if none exists, or if the spread was greater than a maximum limit agreed upon by the Exchange and the CLP, or when the size of an order was smaller than an agreed upon minimum. There would be no more than one CLP for any security, and there would be no requirement that every security have a CLP. These orders would be subject to the same price and time priorities as other system orders. As payment, the CLP would receive a percentage of the Exchange's net transaction fees resulting from execution of the orders entered by the CLP.

All trades executed on the Exchange (including those involving a U.S. Member) must be registered with the London Clearing House ("LCH") for clearance and settlement through CREST (with the exception of cross trades, which are settled as described below).[10] All Members (including U.S. Members) must either be a member of the LCH ("Clearing Member") or have entered into a direct or indirect clearing arrangement with a Clearing Member ("Non-Clearing Member"). It is expected that U.S. Members would be Non-Clearing Members. Cross trades are settled directly through CREST by the Member that entered the trade (or by a sponsor of the Member that is a member of CREST). The LCH is not involved in the clearance and settlement of cross trades.

The settlement cycle in Great Britain is five business days, as opposed to three in the United States. Thus, U.S. Members' trades will not settle on the normal U.S. cycle, but on the U.K. cycle.

III. Trading by U.S. Members

The Exchange would permit U.S. Persons to become Members in accordance with its normal business procedures. However, to comply with the U.S. securities laws, the Exchange would offer two different levels of service—one for all U.S. Members ("Public Market") and one limited to U.S. Members who are non-U.S. persons, international agencies or "qualified institutional buyers" ("QIBs") as defined in Rule 144A under the Securities Act of 1933[11] ("Securities Act") ("QIB Market"). Bids and offers in securities registered in the U.S. in American Depositary Receipt ("ADR") form or in ordinary share form would be available in the Public Market; bids and offers in those securities that are not registered in the U.S. would be available only in the QIB Market. In addition, U.S. Members in the QIB Market would be required to resell any securities purchased on the Exchange through the Exchange or outside the United States. Such resales would be limited to other QIBs, international agencies, and non-U.S. persons.

Other than these restrictions, U.S. Members would trade on the Exchange under the same terms as non-U.S. Members.[12] For example, both periodic and instant auctions would take place on both the QIB and the Public Market. The type of auction that occurs would vary from security to security based on criteria unrelated to the security's registration status in the U.S. U.S. Members would also trade on the Exchange during London business hours.[13] In addition, U.S. Members would be subject to the same fees as all other Members.[14] As mentioned above, trades involving a U.S. Member would settle through the LCH in the normal U.K. settlement cycle.

IV. Exemption Standards

Section 5 of the Exchange Act requires that all exchanges subject to the jurisdiction of the United States either register with the Commission as a national securities exchange or obtain a Commission exemption from that requirement.[15] Section 5 authorizes the Commission to grant an exemption from registration if the Commission finds that, "by reason of the limited volume of transactions effected on [the] exchange, it is not practicable and not necessary or appropriate in the public interest for the protection of investors" to require such registration.[16]

In its order granting a limited volume exemption from registration as an exchange to the Arizona Stock Exchange ("AZX"),[17] the Commission used the "present volume levels of fully regulated national securities exchanges" as the benchmark for low volume for

[8] Presently, the Exchange has suspended periodic auctions. When there is sufficient interest among Members, periodic auctions will resume. Members would be notified electronically as to the time a periodic auction would commence.

[9] If there is a bid or an offer on the Exchange's book that will match either side of the cross trade, however, that bid or offer will have priority over the bid or offer that is part of the cross, and will receive execution. As a result, half of the cross trade (or some portion of that side of the trade) would be left on the Exchange's book.

[10] After a trade is registered with the LCH, the LCH becomes the counterparty to both sides of that trade, guaranteeing settlement.

[11] 17 CFR 230.144A.

[12] The Exchange generally will not provide access to U.S. Members to securities for which there is a U.S. transfer agent or which are eligible for deposit at a registered clearing agency. However, U.S. Members may have access to such securities if the annual trading volume in the U.S. of such securities is less than ten percent of the securities' annual worldwide trading volume.

[13] Thus, the Exchange would be available to U.S. Members from 7:30 a.m. to 5:30 p.m. London time (2:30 a.m. to 12:30 p.m. Eastern Standard Time).

[14] See Exhibit N, Sections 4 and 6, of the Company's Form 1 filing for the specific fees charged by the Exchange.

[15] 15 U.S.C. 78e (1988). The Commission has published a release in order to solicit the public's comments on proposed rules that would permit, among other things, alternative trading systems to register as broker-dealers or as exchanges. See Exchange Act Release No. 39884 (April 17, 1998), 63 FR 23504 (April 29, 1998) ("Regulation ATS Proposing Release"). The limited volume exemption remains another choice for such systems. The Commission believes an exemption on the basis of low volume would only be appropriate, however, for a foreign market, such as the Exchange, that is also a low volume market in its home country. See the discussion at note 27 *infra*.

[16] 15 U.S.C. 78(e) (1988).

[17] See Exchange Act Release No. 28899 (Feb. 20, 1991), 56 FR 8377 (February 28, 1991). AZX was originally named Wunsch Auction Systems, Inc.

AZX.[18] Consequently, AZX's exemption order was conditioned upon its volume staying below that of the registered national securities exchange with the lowest average daily volume.[19]

Pursuant to a condition in the order granting relief from registration as an exchange, AZX trades only securities registered under the Exchange Act. As was the case with AZX, however, the Exchange has no U.S. operating history, so it is virtually impossible to predict what the Exchange's U.S. volume would be. The Exchange, however, currently trades certain securities listed on the LSE, only some of which are registered in the United States and trade on a market here, either as ADRs or as ordinary shares.[20] Therefore, the Commission believes that AZX's exemption standards are not the best benchmark for the Exchange. The Commission believes it is appropriate to consider the volume levels of the primary stock exchange in the U.K., the LSE, as well as the volume levels of U.S. national securities exchanges.[21]

Trading volume in the United States is generally measured in shares. In 1990, when AZX was granted an exemption, the average daily volume of all regional stock exchanges was 24.5 million shares and the average price of shares traded was $28.51.[22] In 1997, the average daily volume of all regional stock exchanges was 59.2 million shares and the average price of shares traded was $42.20. In 1997, the average daily volume on the LSE was 1.1 billion shares and the average price of shares traded was $6.04.[23] By contrast, the average daily volume of the Exchange in 1997 was 3.1 million shares.

As the numbers cited above for the LSE and the Exchange illustrate, the Exchange is a low-volume market in its home country. The Exchange's average daily volume in 1997 was significantly less than one percent of the LSE's average daily volume.

In the United Kingdom, the monetary value of trading is the common measure of a securities transaction and of overall market activity.[24] In the U.K., share prices are roughly one-seventh of what they are in the U.S. for a comparable security. This difference in share price is also reflected in the trading of ADRs in this country, where each ADR is generally a multiple of the ordinary shares that are traded on the LSE.[25]

Because of this difference in share price and volume, average daily share volume is not the best measure for a U.K. Recognized Investment Exchange proposing to operate as a limited volume exchange in the U.S. The average daily volume of the Exchange in 1997 was 3.1 million shares, and the average price of shares traded was $5.61.[26] This average daily volume, however, may not be indicative of what the Exchange's U.S. volume would be.

In order to adjust for these factors, the Commission is proposing to grant the Exchange's application for exemption from exchange registration, using dollar value as a benchmark for volume, rather than average daily number of shares traded. This will permit the Exchange to operate in the U.S. under a benchmark which more appropriately reflects the difference in dollar value between U.S. and U.K. markets, and the difference in the way trading is measured in the U.K. In addition, the Commission is proposing to condition the Exchange's operation in the U.S. upon it remaining a low volume exchange in the U.K.

Under the proposed Exemption, the Exchange would be exempt so long as (i) the average daily dollar value of trades (measured on a quarterly basis) involving a U.S. Member did not exceed $40 million,[27] and (ii) its worldwide average daily volume (measured on a quarterly basis) did not exceed ten percent of the average daily volume of the LSE. The limitation on the Exchange's worldwide trading volume would ensure that the Commission could reevaluate the appropriateness of the low volume exemption should the Exchange achieve significant volume relative to the LSE.

The Commission also proposes to exempt the Exchange from Rules 6a–1, 6a–2, 6a–3 and 24b–1 under the Exchange Act.[28] Rules 6a–1, 6a–2 and 6a–3 set forth the procedures regarding amendments and supplemental material exchanges must file. Essentially the same information required by these rules will be provided to the Commission by the Exchange under the other conditions the Division of Market Regulation is proposing (see **V. Conditions**, below). To require the Exchange to comply with these rules would be duplicative, and would not result in the Commission receiving the materials in as useful a form as proposed under the conditions set forth here.

Rule 24b–1 requires an exchange to make a copy of statements and exhibits filed with the Commission available to the public at its offices during reasonable business hours. Some of the information the Commission is proposing that the Exchange be required to file, however, is volume information which is substantially similar to the information required of broker-dealer trading systems under Rule 17a–23.[29] Information filed pursuant to Rule 17a–23 is confidential, and is not required of exchanges. In addition, the Commission

[18] *Id.* at 17.

[19] For calendar year 1990, this was the Cincinnati Stock Exchange ("CSE"). In 1990 the CSE's average daily trading volume, expressed in shares, was 1,238,241. In 1996, AZX's volume threshold was increased to 5,965,346 shares, which was the average daily volume of shares traded on the Philadelphia Stock Exchange ("Phlx") in 1995. In 1995, the Phlx was the national securities exchange with the lowest average daily volume.

[20] As of June 30, 1998, the Exchange traded 72 securities whose issuers also have securities registered in the United States. This number may change in the future, as issuers' registration status under the Exchange Act changes. As a condition to an exemptive order, the Exchange would be required to inform the Commission of any changes in the registration status of the securities it trades. As described above, the registration status of a given security under the Securities Act and under the Exchange Act has an effect on how it will be traded through the Tradepoint System in the U.S.

[21] Similarly, it would be appropriate to consider the primary market in any other country from which a low volume exchange was applying for an exemption as a benchmark, as well as the volume levels of U.S. national securities exchanges.

[22] Securities Industry Association, 1996 Securities Industry Fact Book at 45.

[23] See Application of Tradepoint Investment Exchange, Amendment No. 2, Exhibit N, available in the Commission's Public Reference Room.

[24] According to the Exchange, commissions in the United Kingdom are also based on a percentage of the share price, rather than on the number of shares purchased.

[25] For example, British Airways PLC ("BAB") is traded on the New York Stock Exchange ("NYSE") in ADR form. On June 26, 1998, BAB closed at 106 7/16. The ADR ratio for BAB is 10:1; thus, each ADR is equivalent to ten ordinary shares. Glaxo Welcome PLC ("GLX") is also traded on the NYSE in ADR form. On June 26, GLX closed at 61 3/16. The ADR ratio for GLX is 2:1. SmithKline Beecham PLC ("SBH") is also traded on the NYSE in ADR form. On June 26, SBH closed at 61 1/8. The ADR ratio for SBA is 5:1. These securities would all be available for trading through the Exchange in their ordinary share form in the U.S. if the Exchange receives an exemption from exchange registration.

[26] See Application of Tradepoint Investment Exchange, Amendment No. 2, Exhibit N, available in the Commission's Public Reference Room.

[27] The Average price of shares traded on all regional exchanges in 1997 was $42.20. Thus, $40 million is equivalent to significantly less than 1.2 million shares a day, which was the original volume limitation placed on AZX.

[28] 17 CFR 240.6a–1, 17 CFR 240.6a–2, 17 CFR 240.6a–3 and 17 CFR 240.24b–1. Rules 6a–1, 6a–2 and 6a–3 have been proposed to be amended in the Commission's release on the regulation of alternative trading systems. See Regulation ATS Proposing Release *supra* note 15. Should the proposed rules be adopted, the Commission would re-evaluate the appropriateness of the exemption from Rules 6a–1, 6a–2 and 6a–3 for the Exchange.

[29] 17 CFR 240.17a–23. Rule 17a–23 is proposed to be repealed in the Commission's release on the regulation of alternative trading systems. See Regulation ATS Proposing Release, *supra* note 15 at IV.A. The recordkeeping requirements currently imposed under Rule 17a–23. however, would still be required under amendments to Rules 17a–3 and 17a–4 if the proposed rules are adopted. Because the Exchange's volume information would be needed by the Commission to determine if the thresholds had been reached, the Exchange would still be required to report volume information as outlined here.

is proposing that the Exchange provide certain trading data regarding trades involving U.S. Members and trades involving non-U.S. Members. This data is confidential and proprietary and would not otherwise be public. Data of this nature is not currently required from any other registrant. This data is necessary so that the Commission may monitor the Exchange's compliance with the proposed volume limitations. For these reasons, and because the Exchange will have no offices in the U.S. and therefore would be making such information public in the United Kingdom, the Commission proposes to exempt the Exchange from Rule 24b–1 as well.

V. Conditions

The Commission proposes to impose other conditions on the Exchange besides the low volume requirements discussed above. In general, these conditions would allow the Commission to monitor the Exchange for compliance with all applicable sections of the Securities Act and the Exchange Act (such as the anti-fraud and securities registration sections), and would ensure that the Commission has access to books, records and personnel of the Exchange should the need arise.

Specifically, the Commission proposes to impose the following conditions on the operation of the Exchange in the U.S.: the Exchange would keep and provide to the Commission upon request (a) records regarding the identity of U.S. Members in the Tradepoint System and the identity of those denied participation in the Tradepoint System and the reason for such denial, as well as a description of the reason for terminating any former Member's capacity to use the Tradepoint System; (b) records regarding daily summaries of trading and time-sequenced records of each transaction involving a U.S. Member; (c) information disseminated to U.S. Members, such as quotation and transaction information regarding securities traded through the Tradepoint System, as well as market notices to Members and other communications (such as changes to the Market Rules); (d) daily pound and equivalent dollar value transactions, and daily share volume of business transacted through the Tradepoint System (separately for orders entered by non-U.S. and U.S. Members, and in the aggregate); (e) a list of securities for which U.S. orders are accepted; and (f) copies of Member application and criteria standards for selection used by the Exchange. The Exchange would also provide 30 days prior notice to the Commission of any material changes in the operation of the Tradepoint System.

Furthermore, the Exchange would supply to the Commission on a quarterly basis within thirty days of the end of each quarter: total volume and average daily volume of transactions effected through the system during the period and year-to-date aggregates of these numbers, expressed in (a) number of units of securities (for transactions in stock, number of ordinary shares; for transactions in securities other than stock, other appropriate commonly used measure of value of such securities); (b) number of transactions; and (c) monetary value (for transactions in stock, pound value and equivalent dollar value; for transactions in securities other than stock, other appropriate commonly used measure of value of such securities and equivalent dollar value). The Exchange would provide separate unit, transaction, and monetary volume and average daily volume information for the period covered by the report reflecting: (i) Tradepoint System activity in securities involving a U.S. Member and; (ii) Tradepoint System activity in securities not involving a U.S. Member. The primary market and hours for each type of security would also be identified.

The Exchange would also be required to adopt and implement procedures to conduct surveillance of trading by Exchange employees and adopt requirements to ensure the non-disclosure of confidential information in the possession of Exchange employees. In addition, in response to regulatory trading halts on U.S. markets, the Exchange would be required to either suspend trading on the Tradepoint System for U.S. Members or consult with the Commission with respect to a possible suspension of trading; cooperate with any investigation in connection with trading on the Tradepoint System conducted by the Commission, including allowing Commission staff access to the facilities, books and records and other documents, as well as employees for interviews; and to provide the Commission with any requested information (including documents) in connection with trading on the Tradepoint System. The Exchange would also be required to continue to operate at all times in accordance with all applicable U.K. laws. The Exchange would also be required to maintain an agent for service of process in the U.S. at all times that it was offering its services in the U.S.

The Exchange would also be required to maintain, at all times, certain provisions in its Member Agreement and its Market Rules relating to choice of law and choice of forum. Specifically, the Exchange would be required to retain provisions requiring that, in the event of a dispute involving a Member arising out of a transaction that occurred in the U.S., or that resulted in damages suffered in the U.S., the U.S. federal securities laws statutes would be applied if the cause of action is based upon fraudulent acts or omissions. These provisions are designed to satisfy the anti-waiver provision of the Exchange Act.[30]

The Exchange would also be required to disclose to its U.S. Members information regarding the trading priorities of the Exchange and the response time of orders entered into the Tradepoint System by U.S. Members as compared to the response time of orders entered by European or other non-U.S. Members. In addition, the Exchange would be required to disclose that the nature and timeliness of pre-trade and post-trade information provided by the Exchange differ from that provided by U.S. registered securities exchanges. Such information should include notification that trades executed through the Exchange are not reported to the U.S. Consolidated Tape; a description of clearance and settlement procedures and disclosure that the time for clearance and settlement under U.K. law is the date of the transaction plus five business days, as compared to three business days under U.S. law; and disclosure of any Tradepoint System limitations affecting capacity to disseminate timely information or to handle Members' orders during peak or other periods.

In addition, the exemptive order would be subject to amendment were the Exchange to offer trading in securities listed on any market (in the U.K. or otherwise) other than the LSE.

VI. Conclusion

The Commission believes that permitting the Exchange to operate in the U.S. would provide U.S. investors with greater opportunities to invest in foreign securities. At the same time, the Commission is concerned that U.S. investors who utilize the Exchange are afforded sufficient protection. Accordingly, the Commission requests comment regarding the Exchange's application for a limited volume exemption from registration as a national securities exchange under the Exchange Act. In particular, the Commission requests comment on: (1) Whether the Commission should grant the Exchange the exemption it seeks; (2)

[30] The anti-waiver provision of the Exchange Act can be found in Section 29(a).

whether dollar value volume is an appropriate measure for determining limited volume; and (3) what conditions should apply to such an exemption.

By the Commission.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–18151 Filed 7–8–98; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–40159; File No. SR–Amex–98–22]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the American Stock Exchange, Inc., Relating to an Increase in Position and Exercise Limits for Standardized Equity Options

July 1, 1998.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Exchange Act" or "Act")[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on June 24, 1998, the American Stock Exchange, Inc. ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Amex proposes to amend Exchange Rule 904 to increase position and exercise limits for standardized equity options to three times their current levels.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in sections A, B and C below, of the most significant aspects of such statements.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The Amex is proposing to increase the position and exercise limits for equity options traded on the Exchange to three times their current levels. Currently, Amex Rule 904 subjects equity options to one of the five different position limits depending on the trading volume and outstanding shares for the underlying security. Rule 905 establishes exercise limits for the corresponding options at the same levels.[3] The limits are: 4,500; 7,500; 10,500; 20,000; and 25,000; contracts on the same side of the market. Under the proposed changes the new limits will be: 13,500; 22,500; 31,500; 60,000; and 75,000. The Exchange believes sophisticated surveillance techniques at options exchanges adequately protect the integrity of the markets for the options that will be subject to these increased position and exercise limits.

Manipulation. The Amex believes that position and exercise limits, at their current levels, no longer serve their stated purpose. The Commission has stated that:

> Since the inception of standardized options trading, the options exchanges have had rules imposing limits on the aggregate number of options contracts that a member or customer could hold or exercise. These rules are intended to prevent the establishment of options positions that can be used or might create incentives to manipulate or disrupt the underlying market so as to benefit the options position. In particular, position and exercise limits are designed to minimize the potential for mini-manipulations and for corners or squeezes of the underlying market. In addition, such limits serve to reduce the possibility of disruption of the options market itself, especially, illiquid options classes.[4]

On the twenty-fifth anniversary of listed options trading, the Exchange believes that the existing surveillance procedures and reporting requirements at options exchanges and clearing firms that have been developed over the years are able to properly identify unusual and illegal trading activity. In addition, Amex believes that routine oversight inspections of Amex's regulatory programs by the Commission have not uncovered any material inconsistencies or shortcomings in the manner in which the Exchange's market surveillance is conducted. These procedures entail a daily monitoring of market movements via automated surveillance techniques to identify unusual activity in both the options and underlying stock. Further, the Exchange believes the significant increases in unhedged options capital charges resulting from a September 1997 adoption of risk-based haircuts and the Exchange margin requirements applicable to these products under Exchange rules serves as a more effective protection than position limits.[5]

Further, large stock holdings must be disclosed to the Commission by way of Schedule 13D or 13G.[6] Options positions are part of any reportable positions and cannot be legally hidden. In addition, Exchange Rule 906—which requires members to file reports with the Exchange for any customer who held aggregate long or short positions of 200 or more option contracts of any single class for the previous day—will remain unchanged and an important part of the Exchange's surveillance efforts.

Position and exercise limits restrict legitimate options use. In the Exchange's view, equity position limits prevent large customers like mutual funds and pension funds from using options to gain meaningful exposure to individual stocks, resulting in lost liquidity in both the options market and the stock market. The Exchange further believes that equity position limits also act as a barrier to the use of options by corporations wishing to implement options strategies with their own stock. For example, existing equity position limits could restrict the number of put options that could be sold under a corporate buyback program.[7]

Financial requirements. The Exchange believes that financial requirements imposed by the Exchange and by the Commission adequately address concerns that a member or its customer may try to maintain an

[3] Rule 905 states "no member or member organization shall exercise, for any account in which such member or member organization has an interest or for the account of any partner, officer, director or employee thereof or for the account of any customer, a long position in any option contract of a class of options dealt in on the Exchange if as a result thereof such member or member organization, or partner, officer, director or employee thereof or customer acting alone or in concert with others, directly or indirectly has or will have exercised within any five (5) consecutive business days aggregate long positions in excess of: (i) the number of option contracts set forth as the position limit in Rule 904 in a class of options for which the underlying security is a stock. * * *"

[4] Exchange Act Release No. 39489 (December 24, 1997), 63 FR 276 (January 5, 1998).

[5] *See* Exchange Act Release No. 38248 (February 6, 1997), 62 FR 6474 (February 12, 1997) (adopting Risk Based Haircuts); and Amex Rule 462.

[6] Exchange Act Rule 13d–1.

[7] The Commission notes that issuers would, of course, need to comply with all applicable provisions of the federal securities laws in conducting their share repurchase programs.

inordinately large unhedged position in an equity option. Current margin, and risk-based haircut methodologies serve to limit the size of positions maintained by any one account by increasing the margin and/or capital that a member must maintain for a large position held by itself or by its customer. It should also be noted that the Exchange has the authority under paragraph (d)(2)(K) of Rule 462 to impose a higher margin requirement upon member or member organization when the Exchange determines a higher requirement is warranted. In addition, the Commission's net capital rule, Rule 15c3–1 under the Exchange Act, imposes a capital charge on members to the extent of any margin deficiency resulting from the higher margin requirement.

Past increases have had no adverse consequences. Equity position limits have been gradually expanded from 1,000 contracts in 1973 to the current level of 25,000 contracts for the largest and most active stocks. In 1997, the SEC approved the elimination of position and exercise limits in FLEX Equity options under a two-year pilot program.[8] To date, there have been no adverse effects on the market as a result of the past increases in the limits for equity options or the elimination of position and exercise limits for FLEX Equity options.

Changes will allow options exchanges to compete more fairly with OTC markets. The Commission has stated that "limits must not be established at levels that are so low as to discourage participation in the options market by institutions and other investors with substantial hedging needs or to prevent specialists and market-makers from adequately meeting their obligations to maintain a fair and orderly market." [9] However, in today's market, equity position limits put listed options at a competitive disadvantage to over-the-counter derivatives. OTC dealers can execute options trades through overseas subsidiaries not subject to NASD regulation, and therefore not subject to position limits. As a result, the largest trades can go unobserved and unmonitored for regulatory and oversight purposes. Member firms continue to express concern to the Exchange that position limits on Amex products are an impediment to their business and that they have no choice but to move their business to off-shore markets where position limits are not an issue.

In addition, the Commission has recently approved the NASD's proposed rule change to raise position limits for conventional equity options (*i.e.*, those options not issued, or subject to issuance by the Options Clearing Corporation) to three times their current levels (which is the same as three times the levels established by current Exchange rules for standardized options).[10]

Because conventional options often have nearly the identical terms as standardized, Exchange-traded options, the Exchange believes the position limits for standardized options should be at least as high as those for conventional options. The proposed rule changes should help to attract business back to the Exchange where the trades will be subject to reporting requirements and surveillance. In its release approving the elimination of FLEX equity option limits for a two-year pilot period, the Commission states that the elimination of position limits will allow the listed options markets to better compete with the OTC market.[11]

> [T]he elimination of position and exercise limits for FLEX equity options allows the Exchanges to better compete with the growing OTC market in customized equity options, thereby encouraging fair competition among brokers and exchange markets. The attributes of the Exchanges' options markets versus an OTC market include, but are not limited to, a centralized market center, an auction market with posted transparent market quotations and transaction reporting, parameters and procedures for clearance and settlement, and the guarantee of the OCC for all contracts traded on the Exchanges.[12]

It should also be noted that individual stocks are not subject to position limits. Investors can theoretically hold 100% of a company's shares outstanding as long as they file the appropriate Schedule 13D or 13G. The Exchange believes the increase in the position and exercise limits will better enable the Exchange to complete against the OTC markets and is an appropriate and responsible increase given the nature of the Exchange's surveillance.

2. Basis

The Exchange believes that the proposed rule change is consistent with Section 6(b) [13] of the Act, in general, and furthers the objectives of Section 6(b)(5),[14] in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, to protect investors and the public interest and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Other

Written comments on the proposed rule change were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the

[8] Exchange Act Release No. 39032 (September 9, 1997), 62 FR 48683 (September 16, 1997).

[9] *See* H.R. Rep. No. IFC–3, 96th Cong., 1st Sess. At 198–91 (Comm. Print 1978).

[10] Exchange Act Release No. 40087 (June 12, 1998), 63 FR 33746 (June 19, 1998). The NASD's position limit filing established position and exercise limits for conventional equity options identical to those being proposed by Amex in this filing.

[11] Exchange Act Release No. 39032 (September 9, 1997), 62 FR 48683 (September 16, 1997).

[12] *Id.* at 48685. The Commission notes that approval of the elimination of position and exercise limits for FLEX equity options was granted for a two-year pilot period and was based on several other factors including, in large part, additional safeguards adopted by the exchanges to allow them to monitor large options positions.

[13] 15 U.S.C. 78f(b).

[14] 15 U.S.C. 78f(b)(5).

submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room, located at the above address. Copies of such filing will also be available for inspection and copying at the principal office of the self-regulatory organization. All submissions should refer to File No. SR-Amex-98-22 and should be submitted by July 30, 1998.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[15]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98-18147 Filed 7-8-98; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-40158; File No. SR-CBOE-98-23]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Chicago Board Options Exchange, Inc., Relating to the Elimination of Position and Exercise Limits for Options on Broad-Based Indexes

July 1, 1998.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Exchange Act" or "Act")[1] and Rule 19b-4 thereunder,[2] notice is hereby given that on June 11, 1998, the Chicago Board Options Exchange, Inc. ("CBOE" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The CBOE proposes to eliminate position and exercise limits for broad-based index options. The current reporting procedures, with slight modifications, which serve to identify large option holdings and hedging information, will remain in place.

The text of the proposed rule change is available at the Office of the Secretary, CBOE and at the Commission.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in sections A, B and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The CBOE is proposing the elimination of position and exercise limits for broadbased index options for the reasons detailed below. The Exchange will, however, still require that member organizations file reports with the Exchange in the event that they maintain proprietary or customer positions in excess of Exchange established reporting thresholds in the different broad-based index option products.

Manipulation. The CBOE believes that position and exercise limits in broad-based index options no longer serve their stated purpose. The Commission has stated that:

> Since the inception of standardized options trading, the options exchanges have had rules imposing limits on the aggregate number of options contracts that a member or customer could hold or exercise. These rules are intended to prevent the establishment of options positions that can be used or might create incentives to manipulate or disrupt the underlying market so as to benefit the options position. In particular, position and exercise limits are designed to minimize the potential for mini-manipulations and for corners or squeezes of the underlying market. In addition such limits serve to reduce the possibility for disruption of the options market itself, especially in illiquid options classes.[3]

On the fifteenth anniversary of listed index options trading, the Exchange believes that the size of the market underlying broad-based index options is so large as to dispel any concerns regarding market manipulation. To date, there has not been a single disciplinary action involving manipulation in any broad-based index product listed on the Exchange. The Exchange believes that its fifteen years of experience conducting surveillance of index options and program trading activity is sufficient to identify improper activity. The CBOE believes that routine oversight inspections of CBOE's regulatory programs by the Commission have not uncovered any inconsistencies or shortcomings in the manner in which index option surveillance is conducted. These procedures entail a daily monitoring of market movements via automated surveillance techniques to identify unusual activity in both the options and underlying stock basket components. Moreover, the CBOE believes that current NYSE Market on Open and Market on Close procedures facilitate the orderly unwinding of large index program trades.[4] Further, the significant increases in unhedged options capital charges resulting from the September 1997 adoption of risk-based haircuts and the high margin requirements applicable to these products under Exchange rules serves as a more effective protection than position limits ever have or ever could.[5]

Competition. The Commission has stated that "limits must not be established at levels that are so low as to discourage participation in the options market by institutions and other investors with substantial hedging needs or to prevent specialists and market-makers from adequately meeting their obligations to maintain a fair and orderly market."[6] However, in today's market, the Exchange believes that position and exercise limits severely hamper CBOE's ability to compete with the OTC and futures markets. Investors who trade listed options on the CBOE are placed at a serious disadvantage in comparison to the OTC market where index options and other types of index based derivaties (*e.g.*, forwards and swaps) are not subject to position and exercise limits. Member firms continue to express concern to the Exchange that position limits on CBOE products are an impediment to their business and that they have no choice but to move their

[15] 17 CFR 200.30-3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b-4.

[3] Exchange Act Release No. 39489 (December 24, 1997), 63 FR 276 (January 5, 1998) (SR-CBOE-97-11) (order approving an increase in OEX position and exercise limits).

[4] *See* NYSE Informational Memo Number 96-34 (November 8, 1996).

[5] *See* Exchange Act Release No. 34-38248 (February 6, 1997), 62 FR 6474 (February 12, 1997) (adopting Risk-Based Haircuts); and CBOE Rule 24.11 *Margins*.

[6] *See* H.R. Rep. No. IFC-3, 96th Cong., 1st Sess. At 189-91 (Comm. Print 1978).

business to the OTC market where position limits are not an issue.

Position and exercise limits restrict legitimate options use. The Exchange believes that the current base limit for broad-based index options[7] is not adequate for the hedging needs of institutions which engage in trading strategies differing from those covered under the index hedge exemption policy (*e.g.*, delta hedges, OTC vs. listed hedges). Moreover, the current index hedge exemption, which requires a daily monitoring of positions and reports to the exchange is too cumbersome. CBOE and member firm compliance staff devote an inordinate amount of time monitoring a firm's position, when in fact, the firm is more than adequately capitalized to carry such sizeable option positions. The CBOE believes that, with the elimination of position limits for these products, staff resources could be better utilized elsewhere.

Financial requirements. The Exchange believes that financial requirements imposed by the Exchange and by the Commission adequately address concerns that a member or its customer may try to maintain an inordinately large unhedged position in a broad-based index option. Current margin, and risk-based haircut methodologies serve to limit the size of positions maintained by any one account by increasing the margin and/or capital that a member must maintain for a large position held by itself or by its customer.[8] It should also be noted that the Exchange has the authority under paragraph (h) of Rules 12.3 and 12.10 to impose a higher margin requirement upon the member of member organization when the Exchange determines a higher requirement is warranted. In addition, the Commission's net capital rule, Rule 15c3–1 under the Exchange Act, imposes a capital charge on members to the extent of any margin deficiency resulting from the higher margin requirement.

FLEX Equity options. In 1997, the SEC approved the elimination of position and exercise limits in FLEX Equity options under a two-year pilot program.[9] To date, there have been no adverse effects on the market as a result of the elimination of position and exercise limits. Member firms have commented favorably on this change and believe that it is the first step towards eliminating position and exercise limits in all option products. In its release approving the elimination of FLEX equity option limits for a two-year pilot, period, the Commission stated that the elimination of position limits will allow the listed options markets to better compete with the OTC market.[10]

> [T]he elimination of position and exercise limits for FLEX equity options allows the Exchanges to better compete with the growing OTC market in customized equity options, thereby encouraging fair competition among brokers and exchange markets. The attributes of the Exchanges' options markets versus an OTC market include, but are not limited to, a centralized market center, an auction market with posted transparent market quotations and transaction reporting, parameters and procedures for clearance and settlement, and the guarantee of the OCC for all contracts traded on the Exchanges.[11]

Reporting requirements. The Exchange will require that each member or member organization that maintains a position on the same side of the market in excess of 100,000 contracts in any broad based index option class, for its own account or for the account of a customer report certain information. This data would include, but would not be limited to, the option position, whether such position is hedged, and, if so, a description of the hedge and if applicable, the collateral used to carry the position. Exchange market-makers would continue to be exempt from this reporting requirement as market-maker information can be accessed through the Exchange's market surveillance systems. The Exchange proposes to increase the reporting level to 100,000 contracts[12] from the current levels (*i.e.*, 45,000 for SPX and 65,000 for OEX) for the following reasons. To date, information collected shows that member firms and customer accounts are hedged with either futures, options on futures or index options. This information can be obtained either through in-house surveillance systems, from the Chicago Mercantile Exchange or by contacting the member firm. Considering that the CBOE currently lists sixteen (16) different broad-based index option products, imposing a uniform reporting number will eliminate confusion. The CBOE believes that an increase in the reporting level to 100,000 contracts for all broad based index products will result in the collection of more meaningful information, and will lessen the administrative burden for member firms and for the Exchange staff. In addition, the general reporting requirement for customer accounts that maintain a position in excess of 200 contracts will remain at this level for broad based index options.[13] Last, it is important to note that the proposed 100,000 contract reporting requirement is above and beyond what is currently required in the OTC market. NASD member firms are only required to report index option positions in excess of 200 contracts and are not required to report any related hedging information.

2. Basis

The Exchange believes that the proposal is consistent with Section 6(b)[14] of the Act, in general, and Section 6(b)(5)[15] of the Act, in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange believes that the proposed rule changes are consistent with Section 6(b) of the Act in general, and further the objectives of Section 6(b)(5), in particular, in that they are designed to promote just and equitable principles of trade and to protect investors and the public interest.

[7] The base limits for broad-based index options are set forth in paragraph (a) of Rule 24.4. The limits range from 25,000 contracts in OEX to 1,000,000 contracts on options based on the Dow Jones Industrial Average ("DJIA"), which is a contract that is based on one-one hundredth of the value of the DJIA.

[8] Exchange Act Rule 15c3–1 requires a capital charge equal to the maximum potential loss on a broker-dealer's aggregate index position over a +(−) 10% market move. Exchange margin rules require margin on naked index options which are in or at-the-money equal to a 15% move in the underlying index; and a minimum 10% charge for naked out-of-the money contracts. At an index value of 9,000 this approximates to a $135,000 to $90,000 requirement per each unhedged contract. This compares to an approximate $36,000 requirement for an equivalent index futures contract position.

[9] Exchange Act Release No. 39032 (September 9, 1997), 62 FR 48683 (September 16, 1997) (order approving SR–CBOE–96–79).

[10] *Id.*

[11] *Id.* at 48685. The Commission notes that approval of the elimination of position and exercise limits for FLEX equity options for a two-year pilot period and was based on several other factors including, in large part, additional safeguards adopted by the exchanges to allow them to monitor large options positions.

[12] Currently only OEX and SPX are subject to reporting requirements beyond those required by Exchange Rule 4.13. The Exchange would expand this revised reporting requirement to all broad-based index options.

[13] *See* Exchange Rule 4.13 *Reports Related to Position Limits.*

[14] 15 U.S.C. 78f(b).

[15] 15 U.S.C. 78f(b)(5).

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments on the proposed rule change were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room, located at the above address. Copies of such filing will also be available for inspection and copying at the principal office of the self-regulatory organization. All submissions should refer to File No. SR–CBOE–98–23 and should be submitted by July 30, 1998.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[16]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–18146 Filed 7–8–98; 8:45 am]

BILLING CODE 8010–01–M

[16] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–40160; File No. SR–CBOE–98–25]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Chicago Board Options Exchange, Inc., Relating to a Change in Position and Exercise Limits for Equity Options

July 1, 1998.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Exchange Act" or "Act")[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on June 8, 1998, the Chicago Board Options Exchange, Inc. ("CBOE" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The CBOE proposes to increase the position and exercise limits on equity options traded on the Exchange to three times their current levels.

The text of the proposed rule change is available at the Office of the Secretary, CBOE and at the Commission.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in sections A, B and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The CBOE is proposing to increase the position and exercise limits for equity options traded on the Exchange to three times their current levels. Currently, Rule 4.11 subjects equity options to one of five different position limits depending on the trading volume and outstanding shares for the underlying security. Rule 4.12 establishes exercise limits for the corresponding options at the same levels.[3] The limits are: 4,500; 7,500; 10,500; 20,000; and 25,000 contracts on the same side of the market. Under the proposed changes the new limits will be: 13,500; 22,500; 31,500; 60,000; and 75,000. The Exchange believes sophisticated surveillance techniques at options exchanges adequately protect the integrity of the markets for the options that will be subject to these increased position and exercise limits.

Manipulation.

The CBOE believes that position and exercise limits, at their current levels, no longer serve their stated purpose. The Commission has stated that:

> Since the inception of standardized options trading, the options exchanges have had rules imposing limits on the aggregate number of options contracts that a member or customer could hold or exercise. These rules are intended to prevent the establishment of options positions that can be used or might create incentives tc manipulate or disrupt the underlying market so as to benefit the options position. In particular, position and exercise limits are designed to minimize the potential for mini-manipulations and for corners or squeezes of the underlying market. In addition, such limits serve to reduce the possibility for disruption of the options market itself, especially in illiquid options classes.[4]

On the twenty-fifth anniversary of listed options trading, the Exchange believes that the existing surveillance procedures and reporting requirements at options exchanges and clearing firms that have been developed over the years are able to properly identify unusual and illegal trading activity. In addition, the CBOE believes that routine oversight inspections of CBOE's regulatory programs by the Commission have not uncovered any material inconsistencies or shortcomings in the manner in which the Exchange's market surveillance is conducted. These procedures entail a daily monitoring of market movements

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] CBOE Rule 4.12 states: "no member shall exercise, for any account in which it has an interest or for the account of any customer, a long position in any options contract where such member or customer, acting alone or in concert with others, directly or indirectly has or will have exercised within any five consecutive business days aggregate long positions in any class of options dealt in on the Exchange in excess of" the established limits set by the Exchange.

[4] Exchange Act Release No. 39489 (December 24, 1997), 63 FR 276 (January 5, 1998) (CBOE–97–11) (order approving an increase in OEX position and exercise limits).

via automated surveillance techniques to identify unusual activity in both the options and underlying stock. Further, the Exchange believes the significant increases in unhedged options capital charges resulting from the September 1997 adoption of risk-based haircuts and the Exchange margin requirements applicable to these products under Exchange rules serves as a more effective protection than position limits.[5]

Furthermore, large stock holdings must be disclosed to the Commission by way of Schedule 13D or 13G.[6] Options positions are part of any reportable positions and cannot be legally hidden. In addition, Exchange Rule 4.13—which requires members to file reports with the Exchange for any customer who held aggregate long or short positions of 200 or more option contracts of any single class for the previous day—will remain unchanged and an important part of the Exchange's surveillance efforts.

Position and exercise limits restrict legitimate options use. In the Exchange's view, equity position limits prevent large customers like mutual funds and pensions funds from using options to gain meaningful exposure to individual stocks, resulting in lost liquidity in both the options market and the stock market. The Exchange further believes that equity position limits also act as a barrier to the use of options by corporations wishing to implement options strategies with their own stock. For example, existing equity position limits could restrict the number of put options that could be sold under a corporate buyback program.[7]

Financial requirements. The Exchange believes that financial requirements imposed by the Exchange and by the Commission adequately address concerns that a member or its customer may try to maintain an inordinately large unhedged position in an equity option. Current margin, and risk-based haircut metholodogies serve to limit the size of positions maintained by any one account by increasing the margin and/or capital that a member must maintain for a large position held by itself or by its customer. It should also be noted that the Exchange has the authority under paragraph (h) of Rules 12.3 and 12.10 to impose a higher margin requirement upon the member or member organization when the Exchange determines a higher requirement is warranted. In addition, the Commission's net capital rule, Rule 15c3–1 under the Exchange Act, imposes a capital charge on members to the extent of any margin deficiency resulting from the higher margin requirement.

Past increases have had no adverse consequences. Equity position limits have been gradually expanded from 1,000 contracts in 1973 to the current level of 25,000 contracts for the largest and most active stocks. In 1997, the SEC approved the elimination of position and exercise limits in FLEX Equity options under a two-year pilot program.[8] To date, there have been no adverse affects on the market as a result of the past increases in the limits for equity options or the elimination of position and exercise limits for FLEX Equity options.

Changes will allow options exchanges to compete more fairly with OTC markets. The Commission has stated that "limits must not be established at levels that are so low as to discourage participation in the options market by institutions and other investors with substantial hedging needs or to prevent specialists and market-makers from adequately meeting their obligations to maintain a fair and orderly market."[9] However, in today's market, equity position limits put listed options at a competitive disadvantage to over-the-counter derivatives. OTC dealers can execute options trades through overseas subsidiaries not subject to NASD regulation, and therefore not subject to position limits. As a result, the largest trades can go unobserved and unmonitored for regulatory and oversight purposes. Member firms continue to express concern to the Exchange that position limits on CBOE products are an impediment to their business and that they have no choice but to move their business to off-shore markets where position limits are not an issue.

In addition, the NASD has recently filed a proposed rule change with the Commission[10] which proposes to raise the position limits for conventional equity options (*i.e.*, those options not issued, or subject to issuance by the Options Clearing Corporation) to three times their current levels (which is the same as three times the levels established by current Exchange rules for standardized options). Because conventional options often have nearly the identical terms as standardized, Exchange-traded options, the Exchange believes the position limits for standardized options should be at least as high as those for conventional options.

The proposed changes should help to attract business back to the Exchange where the trades will be subject to reporting requirements and surveillance. In its release approving the elimination of FLEX equity option limits for a two-year pilot period,[11] the Commission stated that the elimination of position limits will allow the listed options markets to better compete with the OTC market.

[T]he elimination of position and exercise limits for FLEX equity options allows the Exchanges to better compete with the growing OTC market in customized equity options, thereby encouraging fair competition among brokers and exchange markets. The attributes of the Exchanges' options markets versus an OTC market include, but are not limited to, a centralized market center, an auction market with posted transparent market quotations and transaction reporting, parameters and procedures for clearance and settlement, and the guarantee of the OCC for all contracts traded on the Exchanges.[12]

It should also be noted that individual stocks are not subject to position limits. Investors can theoretically hold 100% of a company's shares outstanding as long as they file the appropriate Schedule 13D or 13G. The Exchange believes the increase in the position and exercise limits will better enable the Exchange to compete against the OTC markets and is an appropriate and responsible increase given the nature of the Exchange's surveillance.

2. Basis

The Exchange believes that the proposal is consistent with Section 6(b)[13] of the Act, in general, and Section

[5] *See* Exchange Act Release No. 38248 (February 6, 1997), 62 FR 6474 (February 12, 1997) (adopting Risk Based Haircuts); and CBOE Rule 12.3 *Margins*.

[6] Exchange Act Rule 13d–1.

[7] The Commission notes that issuers would, of course, need to comply with all applicable provisions of the federal securities laws in conducting their share repurchase programs.

[8] *See* Exchange Act Release No. 39032 (September 9, 1997), 62 FR 48683 (September 16, 1997) (order approving SR–CBOE–96–79).

[9] *See* H.R. Rep. No. IFC–3, 96th Cong., 1st Sess. At 189–91 (Comm. Print 1978).

[10] *See* Exchange Act Release No. 39893 (April 21, 1998), 63 FR 23317 (April 28, 1998) (notice of SR–NASD–98–23). The Commission notes that the NASD's position limit filing was approved on June 12, 1998. The NASD's position limit filing established position and exercise limits for conventional equity options identical to those being proposed by CBOE in this filing. *See* Exchange Act Release No. 40087 (June 12, 1998), 63 FR 33746 (June 19, 1998).

[11] *See* Exchange Act Release No. 39032 (September 9, 1997), 62 FR 48683 (September 16, 1997).

[12] *Id.* at 48685. The Commission notes that approval of the elimination of position and exercise limits for FLEX equity options was granted for a two-year pilot period and was based on several other factors including, in large part, additional safeguards adopted by the exchanges to allow them to monitor large options positions.

[13] 15 U.S.C. 78f(b).

6(b)(5) [14] of the Act, in particular, in that it is designed to promote just and equitable principles of trade and to protect investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments on the proposed rule change were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room, located at the above address. Copies of such filing will also be available for inspection and copying at the principal office of the self-regulatory organization. All submissions should refer to File No. SR–CBOE–98–25 and should be submitted by July 30, 1998.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[15]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–18148 Filed 7–8–98; 8:45 am]

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[14] 15 U.S.C. 78f(b)(5).

[15] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–40144; File No. SR–CHX–98–17]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of a Proposed Rule Change by the Chicago Stock Exchange, Inc., to Extend the Exchange's Clearing the Post Policy for Cabinet Securities

June 30, 1998.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on June 18, 1998, the Chicago Stock Exchange, Inc. ("CHX" or the "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the CHX. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and to grant accelerated approval to the proposal.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to extend the current pilot program that amends interpretation and policy .02 of CHX Rule 10 of Article XX and amends CHX Rule 11 of Article XX relating to clearing the post for cabinet securities on an interim basis until December 6, 1998, or until the Commission approves SR–CHX–98–13,[3] whichever occurs first. The initial six-month pilot program was approved by the Commission on January 6, 1998, and expires on July 6, 1998.[4] The text of the proposed rule change is as follows:

Additions are italicized; deletions are bracketed.

ARTICLE XX

Rule 10. Manner of Bidding and Offering.

No change in text.

. . . Interpretations and Policies

.02 Clearing the Post.

Policy. All orders received by floor brokers or originated by market makers on the floor of the Exchange must effectively clear the post before the orders may be routed to another market, either via the ITS System or through the use of alternative means.

Floor brokers who receive an order on the floor have a fiduciary responsibility to seek a best price execution for such order. This responsibility includes clearing of the Exchange's post prior to routing an order to another market so that other buying and selling interest at the post can be checked for a potential execution that may be as good as or better than the execution available in another market.

Market makers are required to provide depth and liquidity to the Exchange market, among other things. Exchange Rules require that all market maker transactions constitute a course of dealings reasonably calculated to contribute to the maintenance of a fair and orderly market. In so doing, market makers must adhere to traditional agency/auction market principles on the floor. Transactions by Exchange market makers on other exchanges which fail to clear the Exchange post do not constitute such a course of dealings.

Notwithstanding the above, it is understood that on occasion a customer will insist on special handling for a particular order that would preclude it from clearing the post on the Exchange floor. For example, a customer might request that a specific order be given a primary market execution. These situations must be documented and reported to the Exchange. Customer directives for special handling of all orders in a particular stock or all stocks, however, will not be considered as exceptions to the clearing the post policy.

All executions resulting from bids and offers reflected on Instinet terminals resident on the Exchange floor constitute "orders" which are "communicated" to the Exchange floor. Therefore, all orders resulting from interest reflected on Instinet terminals

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] Proposed rule change SR–CHX–98–13, which was filed with the Commission on June 10, 1998, (i) requests permanent approval of the policy that permits market makers to clear the cabinet post by phone, and (ii) proposes to expand this policy to include all securities traded on the trading floor.

[4] Securities Exchange Act Release No. 39519 (January 6, 1998), 63 FR 1985 (January 13, 1998).

on the Exchange floor must be handled as any other order communicated to the floor. All such orders must be presented to the post during normal trading hours. All trades between Instinet and Exchange floor members are Exchange trades and must be executed on the Exchange.

Method of Clearing the Post. *Subject to Article XX, Rule 11 relating to cabinet securities.* [T]the Exchange's clearing the post policy requires the floor broker or market maker to be physically present at the post. A market maker, after requesting the specialist's market quote, must bid or offer the price and size of his intended interest at the post. A floor broker must clear the post by requesting a market quote from the specialist. If the specialist or any other member who has the post indicates an interest to trade at the price that was bid or offered by the market maker or the price of the floor broker's order (even though that order has not yet been bid or offered), then the trade may be consummated with the specialist (or whomever has the post) in accordance with existing Exchange priority, parity and precedence rules. If the specialist (or any other member who has the post) indicates interest to trade at that price but the member communicating the intended interest, including Instinet interest, determines not to consummate the trade with the specialist or such member, then, to preserve the Exchange's existing priority, parity and precedence rules, the trade may not be done with any other Exchange floor member. (See Article XXX, Rule 2). If the trade is consummated with the specialist or other member who has the post, the specialist (or any customer represented by the specialist) is not required to pay any fees to the broker or market maker in connection with the execution of the order, unless such fee is expressly authorized by an Exchange Rule. If the specialist does not indicate an interest to trade, then the trade may be consummated with another Exchange floor member on the Exchange floor with a resultant Exchange print.

Failure to clear the post may result in a "trade-through" or "trading ahead" of other floor interest. In addition, failure to properly clear the post may result in a violation of the Exchange's Just and Equitable Trade Principles Rule (Article VIII, Rule 7) and a market maker rule that requires all market maker transactions to constitute a course of dealing reasonably calculated to contribute to the maintenance of a fair and orderly market (Article XXXIV, Rule 1). Failure to properly clear the post may also subject the violator to a minor rule violation under the Exchange's Minor Rule Violation Plan.

Rule 11. Cabinet Securities

Stocks having no designated specialist unit of trading shall be assigned for dealings by use of cabinets and shall be dealt in at a location designated for that purpose.

The Exchange may also designate bonds which are to be dealt in by use of cabinets.

Bids and offers in securities dealt in by use of cabinets shall be written on cards, which shall be filed in the cabinets in the following sequence:

1. According to price, and
2. According to the time received at the cabinet.

Orders in such securities shall be filed according to the bids and offers filed in the cabinets, in the sequence indicated above, except that oral bids and offers in such securities may be made if not in conflict with bids and offers in the cabinets. *Oral bids and offers may be made by clearing the cabinet post by phone provided that such bids and offers are audibly announced at the cabinet post through a speaker system maintained by the Exchange.*

Every card placed in the cabinets shall bear a definite price and number of shares and no mark or identification shall be placed thereon to indicate it is other than a limited order at the price.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the CHX included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item III below. The CHX has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to extend the Exchange's existing pilot program that permits market makers and floor brokers to clear the cabinet post by phone until the earlier of the two following occurrences; (i) December 6, 1998, or (ii) the Commission's approval of SR–CHX–98–13, whichever occurs first. The initial six-month pilot program was approved by the Commission on January 6, 1998 and is scheduled to expire on July 6, 1998.[5] In approving the original pilot program, the Commission requested that the Exchange file a report describing its experience with the program. On June 5, 1998, the Exchange filed such a report with the Commission. The purpose of this proposed rule change is to permit the current pilot to continue without interruption while the Commission considers the Exchange's proposal to expand the policy on a permanent basis to all securities traded on the Exchange.

In general, the clearing the post policy requires a floor broker or market maker to clear the post by his or her physical presence at the post. The purpose of this proposed rule change is to permit a floor broker or market maker to clear the post in cabinet securities by phone. The bids and offers made to clear the post by phone will be audibly announced at the cabinet post through a speaker system maintained by the Exchange.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b)(5) of the Act[6] in that it is designed to prevent fraudulent and manipulative acts and practices and to perfect the mechanism of a free and open market.

(B) Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any inappropriate burden on competition.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

No written comments were either solicited or received.

III. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the submissions, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission and all written communications relating to the proposed rule change between the Commission and any person, other than

[5] *Id.*

[6] 15 U.S.C. 78f(b)(5).

those that may be withheld from the public in accordance with the provisions of 5 U.S.C. § 552, will be available for inspection and copying at the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the Exchange. All submissions should refer to File No. SR–CHX–98–17 and should be submitted by July 30, 1998.

IV. Commission Findings and Order Granting Accelerated Approval of the Proposed Rule Change

After careful review, the Commission finds that the proposed rule change is consistent with the Act and the rules and regulations under the Act applicable to a national securities exchange. In particular, the proposal is consistent with Section 6(b)(5) of the Act[7] in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and to remove impediments to and perfect the mechanism of a free and open market. The Commission believes that allowing floor brokers or market makers to clear the post for cabinet securities while remaining at their respective posts will ensure that these floor brokers or market makers will be at their posts when they need to respond to orders in more liquid securities at a much faster pace.

The Commission finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice of the proposal in the **Federal Register** because the extension will permit the current pilot to continue without interruption while the Commission considers the Exchange's proposal to expand the policy on a permanent basis to all securities traded on the Exchange. The extension is only for five months (or until the Commission approves SR–CHX–98–13, if it decides to do so, whichever occurs first), and will merely preserve the *status quo*. Moreover, the original pilot was noticed for the full 21-day comment period and the Commission received no comments on the proposal.[8] The Commission's approval of the proposal to extend the pilot for five months has no bearing on, and should not be interpreted to suggest that the Commission ultimately will approve SR–CHX–98–13.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[9] that the proposed rule change (File No. SR–CHX–98–17) be, and hereby is, approved on an accelerated basis through December 6, 1998, or until the Commission approves SR–CHX–98–13, whichever occurs first.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[10]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–18149 Filed 7–8–98; 8:45 am]

BILLING CODE 8010–01–M

[7] *Id.*

[8] *See* Securities Exchange Act Release No. 39519, n.4 above.

[9] 15 U.S.C. 78s(b)(2).

[10] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–40152; File No. SR–CHX–98–14]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change by the Chicago Stock Exchange, Inc. Relating to Exempt Credit by Market Makers

July 1, 1998.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on June 10, 1998, the Chicago Stock Exchange, Inc. ("CHX" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to clarify an interpretation to Article XXXIV, Rule 16 of CHX's Rules relating to registered market makers' utilization of exempt credit.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the CHX included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to clarify an interpretation to the Exchange's rules regarding market makers and exempt credit. The Exchange recently modified Interpretation .01 to Article XXXIV, Rule 16, to eliminate a reference to "creating or increasing a position," thereby including all transactions consummated on the Exchange or sent from the Exchange floor via ITS in determining a market makers' ability to use exempt credit.[3]

In making such a change to the interpretation, the Exchange did not intend to eliminate the requirement that volume be measured on an issue by issue basis. To eliminate any possibility that the change may be misinterpreted in that manner, the Exchange is clarifying the language of the interpretation to make it clear that volume is measured for a particular issue to determine a market makers' ability to use exempt credit for that issue. The text of the proposed rule change is as follows:

Additions are italicized.

ARTICLE XXXIV

Registered Market Makers—Equity Floor

Regulatory Status

RULE 16. No text change.

* * *Interpretations and Policies:

.01 Utilization of Exempt Credit. Exchange Members registered as equity market makers are members registered as specialists for purposes of the Securities Exchange Act of 1934 and as such are entitled to obtain exempt credit for financing their market maker transactions. Members and/or prospective members who are anticipating becoming registered as equity market makers as well as those clearing firms who are or will be carrying the accounts of market makers should be aware of the following interpretation relative to the use of such credit:

1. Only those transactions initiated on the Exchange Floor qualify as market maker transactions. This restriction prohibits the use of exempt credit where market maker orders are routed to the Floor from locations off the Floor.

[3] Securities Exchange Act Release No. 40016 (May 20, 1998), 63 FR 29276 (May 28, 1998).

2. Fifty percent (50%) of the quarterly share volume *in an issue* in a market maker account must result from transactions which are either consummated on the Exchange or sent from the Exchange Floor for execution in another market via ITS *in order for the market maker to be entitled to exempt credit for such issue.*

3. Only those positions which have been established as a direct result of bonafide equity market maker activity qualify for exempt credit treatment. This restriction precludes exempt credit financing based on an equity market maker registration for positions resulting from options exercises and assignments.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b)(5) of the Act[4] in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

(B) Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition.

(c) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

The Exchange has neither solicited nor received written comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing rule change constitutes a stated policy, practice or interpretation with respect to the meaning, administration, or enforcement of an existing rule of the Exchange it has become effective pursuant to Section 19(b)(3)(A) of the Act[5] and Rule 19b–4(e)(1)[6] thereunder.[7] At any time within 60 days of the filing of such rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Copies of the submissions, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. § 552, will be available for inspection and copying at the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the CHX. All submissions should refer to File No. SR–CHX–98–14 and should be submitted by July 30, 1998.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[8]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–18150 Filed 7–8–98; 8:45 am]

BILLING CODE 8010–01–M

[4] 15 U.S.C. 78f(b)(5).

[5] 15 U.S.C. 78s(b)(3)(A).

[6] 17 CFR 240.19b–4(e).

[7] In reviewing the proposal, the Commission considered its impact on efficiency, competition and capital formation. 15 U.S.C. 78f(b).

[8] 17 CFR 200.30–3(a)(12).

SOCIAL SECURITY ADMINISTRATION

Information Collection Activities: Proposed Collection Requests and Comment Requests

This notice lists information collection packages that will require submission to the Office of Management and Budget (OMB), as well as information collection packages submitted to OMB for clearance, in compliance with Public Law 104–13 effective October 1, 1995, The Paperwork Reduction Act of 1995.

I. The information collection(s) listed below require(s) extension(s) of the current OMB approval(s) or are proposed new collection(s):

Reporting Events—SSI—0960–0128. The information collected on Form SSA–8150–EV is used by the Social Security Administration (SSA) to determine eligibility for Supplemental Security Income (SSI) payments and to determine correct payment amounts. The respondents are SSI applicants and recipients.

Number of Respondents: 33,200.

Frequency of Response: 1.

Average Burden Per Response: 5 minutes.

Estimated Average Burden: 2,767 hours.

Written comments and recommendations regarding the information collection(s) should be sent within 60 days from the date of this publication, directly to the SSA Reports Clearance Officer at the following address: Social Security Administration, DCFAM, Attn: Frederick W. Brickenkamp, 6401 Security Blvd., 1–A–21 Operations Bldg., Baltimore, MD 21235.

In addition to your comments on the accuracy of the agency's burden estimate, we are soliciting comments on the need for the information; its practical utility; ways to enhance its quality, utility and clarity; and on ways to minimize burden on respondents, including the use of automated collection techniques or other forms of information technology.

II. The information collection(s) listed below have been submitted to OMB:

1. Representative Payee Report—0960–0068. Forms SSA–6230 and SSA–623 are used by SSA to determine the continuing suitability of an individual/organization to serve as representative payee. Form SSA–6230 is sent to parents, stepparents and grandparents with custody of minor children receiving Social Security benefits. Form SSA–623 is sent to all other payees with or without custody of the beneficiary. The respondents are individuals and organizations who serve as representative payees for SSI and Social Security beneficiaries.

	SSA–623	SSA–6230
Number of Respondents:	3,350,875	2,099,298
Frequency of Response:	1	1
Average Burden Per Response:	15 minutes	15 minutes
Estimated Annual Burden:	837,719 hrs	524,824 hrs

2. Request for Social Security Earnings Statement—0960–0525. The information on Form SSA–7050 is used by SSA to identify the requestor, to define the earnings information being requested, and to inform the requestor of the fee for such information. SSA then produces the requested statement. The respondents are individuals and organizations that use this form to request statements of earnings from SSA.

Number of Respondents: 44,000.

Frequency of Response: 1.

Average Burden Per Response: 11 minutes.

Estimated Average Burden: 8,067 hours.

3. Request for Change in Time/Place of Disability Hearing—0960–0348. The information on Form SSA–769 is used by SSA to provide claimants with a structured format to exercise their right to request a change in the time or place of a scheduled disability hearing. The information will be used as a basis for granting or denying requests for changes and for rescheduling hearings. The respondents are claimants who wish to request a change in the time or place of their disability hearing.

Number of Respondents: 7,483.

Frequency of Response: 1.

Average Burden Per Response: 8 minutes.

Estimated Average Burden: 998 hours.

4. Request for Reconsideration—Disability Cessation—0960–0349. The information on Form SSA–789 is used by SSA to schedule hearings and to develop additional evidence for individuals who have received an initial or revised determination that their disability ceased, did not exist, or is no longer disabling. The respondents are disability beneficiaries who file a claim for reconsideration.

Number of Respondents: 15,015.

Frequency of Response: 1.

Average Burden Per Response: 12 minutes.

Estimated Average Burden: 3,003 hours.

5. Summary of Evidence—0960–0430. The information on Form SSA–887 is used by State Disability Determination Services (DDS) to provide claimants with a list of medical/vocational reports pertaining to their disability. The form will aid claimants in reviewing the evidence in their folders and will be used by hearing officers in preparing for and conducting hearings. The respondents are State DDSs that make disability determinations.

Number of Respondents: 22,024.

Frequency of Response: 1.

Average Burden Per Response: 15 minutes.

Estimated Average Burden: 5,506 hours.

6. Report of Work Activity—Notice of Continuing Disability—0960–0108. The information collected on Form SSA–3945 will be used by SSA to determine whether an individual's work after entitlement to disability is cause for that entitlement to end. The respondents are individuals who report earnings after their entitlement to disability benefits.

Number of Respondents: 140,000.

Frequency of Response: 1.

Average Burden Per Response: 45 minutes.

Estimated Average Burden: 105,000 hours.

7. Employee Identification Statement—0960–0473. The information on Form SSA–4156 is used by SSA to resolve situations where two or more individuals have used the same Social Security Number (SSN), and an employer has erroneously reported earnings under an SSN. The respondents are employers involved in erroneous wage reporting.

Number of Respondents: 4,750.

Frequency of Response: 1.

Average Burden Per Response: 10 minutes.

Estimated Average Burden: 792 hours.

8. RSI/DI Quality Review Case Analysis-Sampled Number Holder; RSI/DI Quality Review Case Analysis-Auxiliaries/Survivors; RSI/DI Quality Review Case Analysis-Parent; RSI/DI Quality Review Case Analysis-Annual Earnings Test (AET)—0960–0555. The information on Forms SSA–2930, SSA–2931 and SSA–2932 is used by SSA to establish a national payment accuracy rate for all cases in payment status and to serve as a source of information regarding problem areas in the Retirement and Survivors Insurance (RSI) and Disability Insurance (DI) programs. The information is also used to measure the accuracy rate for newly adjudicated RSI/DI cases. SSA uses the information on Form SSA–4659 to evaluate the annual earnings test in order to determine its effectiveness. The results will be used to develop ongoing improvements in the process. The respondents are RSI and DI beneficiaries.

	SSA–2930	SSA–2931	SSA–2932	SSA–4659
Number of Respondents:	5,500	2,750	1,375	740
Frequency of Response:	1	1	1	1
Average Burden Per Response:	[1] 30	[1] 30	[1] 20	[1] 10
Estimated Annual Burden (Hours):	2,750	1,375	458	123

[1] Minutes.

Written comments and recommendations regarding the information collection(s) should be directed within 30 days to the OMB Desk Officer and SSA Reports Clearance Officer at the following addresses:

(OMB)

Office of Management and Budget, OIRA, Attn: Laura Oliven, New Executive Office Building, Room 10230, 725 17th St., NW, Washington, D.C. 20503

(SSA)

Social Security Administration, DCFAM, Attn: Frederick W. Brickenkamp, 1–A–21 Operations Bldg., 6401 Security Blvd., Baltimore, MD 21235.

To receive a copy of any of the forms or clearance packages, call the SSA Reports Clearance Officer on (410) 965–4145 or write to him at the address listed above.

Dated: July 2, 1998.

Frederick W. Brickenkamp,

Reports Clearance Officer, Social Security Administration.

[FR Doc. 98–18289 Filed 7–8–98; 8:45 am]

BILLING CODE 4190–29–U

DEPARTMENT OF STATE

[Public Notice 2860]

The Office of Overseas Schools; 60-Day Notice of Proposed Information Collection; the FS–573 (Overseas Schools Questionnaire), FS–573A (Information Regarding Professional Staff Members of Overseas Schools), FS–573B (Overseas School Summary Budget Information), and the FS–574 (Request for Assistance)

SUMMARY: The Department of State is seeking Office of Management and Budget (OMB) approval for the information collections described below. The purpose of this notice is to allow 60 days for public comment in the **Federal Register** preceding submission to OMB. This process is conducted in accordance with the Paperwork Reduction Act of 1995.

The following summarizes the information collection proposal submitted to OMB:

Type of Request: Revision of a currently approved collection.

Originating Office: The Office of Overseas Schools of the Department of State (A/OPR/OS).

Title of Information Collection: Overseas Schools Questionnaire.

Frequency: Annually.

Form Number: FS–573.

Respondents: American sponsored schools overseas.

Estimated Number of Respondents: 199.

Average Hours Per Response: 15 minutes.

Total Estimated Burden: 50 hours.

Type of Request: Revision of a currently approved collection.

Originating Office: The Office of Overseas Schools of the Department of State (A/OPR/OS).

Title of Information Collection: Information Regarding Professional Staff Members of Overseas Schools.

Frequency: Annually.

Form Number: FS–573A.

Respondents: American sponsored schools overseas.

Estimated Number of Respondents: 199.

Average Hours Per Response: 15 minutes.

Total Estimated Burden: 50 hours.

Type of Request: Revision of a currently approved collection.

Originating Office: The Office of Overseas Schools of the Department of State (A/OPR/OS).

Title of Information Collection: Overseas School Summary Budget Information.

Frequency: Annually.

Form Number: FS–573B.

Respondents: American sponsored schools overseas.

Estimated Number of Respondents: 199.

Average Hours Per Response: 15 minutes.

Total Estimated Burden: 50 hours.

Type of Request: Revision of a currently approved collection.

Originating Office: The Office of Overseas Schools of the Department of State (A/OPR/OS).

Title of Information Collection: Request for Assistance.

Frequency: Annually.

Form Number: FS–574.

Respondents: American sponsored schools overseas.

Estimated Number of Respondents: 199.

Average Hours Per Response: 15 minutes.

Total Estimated Burden: 50 hours.

Public comments are being solicited to permit the agency to—

- Evaluate whether the proposed information collection is necessary for the proper performance of the agency functions.
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection.
- Enhance the quality, utility, and clarity of the information to be collected.
- Minimize the reporting burden on those who are to respond, including through the use of automated collection techniques or other forms of technology.

FOR ADDITIONAL INFORMATION: Comments regarding the collection listed in this notice or requests for copies of the proposed collection and supporting documents should be directed to Charles S. Cunningham, Directives Management Branch, U.S. Department of State, Washington, DC 20520, (202) 647–0596.

Dated: June 29, 1998.

Fernando Burbano,

Chief Information Officer.

[FR Doc. 98–18264 Filed 7–8–98; 8:45 am]

BILLING CODE 4710–08–M

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Trade Policy Staff Committee; Generalized System of Preferences (GSP); Notice of the Results of the 1997 Annual Review and 1998 De Minimis Waiver and Redesignation Reviews; Designation of Associations of Countries for Treatment as One Country

AGENCY: Office of the United States Trade Representative.

ACTION: Notice of the GSP changes.

SUMMARY: This notice announces the disposition of the petitions accepted for review in the 1997 Annual Review of the GSP program, the results of the 1998 De Minimis Waiver and Redesignation Reviews, exclusions for products that exceeded the GSP competitive need limitations (CNLs), and the designation of the three associations of African countries each as eligible for treatment as a single country for purposes of the rule of origin requirements of the GSP program.

FOR FURTHER INFORMATION CONTACT: GSP Subcommittee, Office of the United States Trade Representative, 600 17th Street, NW., Room 518, Washington, D.C. 20508. The telephone number is (202) 395–6971. A press release on the GSP changes covered by this notice is available through the USTR Fax Retrieval System (202) 395–4809, or by contracting the USTR Office of the Public and Media Affairs at (202) 395–3230.

SUPPLEMENTARY INFORMATION: The GSP is provided for in Title V of the Trade Act of 1974, as amended (19 U.S.C. 2461–2465) (the 1974 Act). The President's decisions concerning the GSP changes addressed in this notice are also reflected in Proclamation No. 7107 of June 30, 1998. Unless otherwise specified, the changes in the GSP program addressed in this notice took effect on July 1, 1998.

In the 1997 Annual Review, the GSP Subcommittee of the Trade Policy Staff Committee accepted for review fifteen petitions to designate as eligible for GSP treatment certain articles that currently are designated as GSP eligible articles only from least-developed beneficiary developing countries, one petition to withdraw GSP eligibility for a certain article; and ten petitions for CNL waivers (62 FR 43408 and 62 FR 50426). The disposition of these petitions is indicated in Annex I of this notice.

In the 1998 De Minimis Waiver and Redesignation Reviews, the appraised import values during 1997 of each GSP-eligible article were reviewed to

determine whether particular articles from particular GSP beneficiary developing countries exceeded the GSP CNLs. De minimis waivers were granted to certain articles which exceeded the 50 percent import share CNL, but for which the aggregate value of the imports of that article was below the 1997 de minimis level of $13.5 million. Annex II to this notice contains a list of these articles.

Certain articles that had previously exceeded GSP CNLs but that had fallen below the CNLs in 1997 ($80 million and 50 percent of U.S. imports of the article) were redesignated for GSP eligibility. These articles are listed in Annex III to this notice.

Articles that exceeded GSP CNLs in 1997, and that are newly excluded from GSP eligibility, are listed in Annex IV to this notice.

The President has determined that the members of the West African Economic and Monetary Union (WAEMU), the Southern African Development Community (SADC), and the Tripartite Commission for East African Cooperation (EAC) should each be treated as one country for purposes of the rule of origin of the GSP program. Proclamation No. 7107 of June 30, 1998 designated WAEMU as an association of countries that shall be treated as one country, and provides that the United States Trade Representative (USTR) shall announce in one or more **Federal Register** notices the effective dates of designation for countries in the SADC and EAC.

The USTR has determined that three members of the SADC-Botswana, Mauritius, and Tanzania-should be treated as one country for the purposes of the rule of origin requirements of the GSP program, effective on the date of publication of this notice. Annex V to this notice embodies this GSP change in the United States Harmonized Tariff Schedule.

Frederick L. Montgomery,

Chairman, Trade Policy Staff Committee.

BILLING CODE 3190–01–M

Annex I. Decisions on Product Petitions of the 1997 GSP Annual Review

Case		Product		Decision
		A. Petitions to Add Products to GSP		
97-1	0409.00.00	Natural Honey		Denied
97-2	0703.10.40	Fresh Onions		Granted
97-3	0712.90.75	Tomato Powder (dried)		Granted*
97-4	0812.10.00	Cherries (provisionally preserved)		Denied
97-5	2002.90.00	Tomato Powder (prepared, not in vinegar)		Granted*
97-6	2917.12.10	Adipic Acid		Denied
97-7	3204.12.20	Acid Dyes		Granted**
97-8	3204.12.30	Acid Dyes		Granted**
97-9	3204.12.45	Acid Dyes		Granted**
97-10	3204.12.50	Acid Dyes		Granted**
97-11	3824.90.28	Vegetable Oil Distillate		Granted
97-12	7108.12.50	Unwrought Gold (for electronics, dental)		Granted***
97-13	7108.13.70	Semi- manufactured Gold		Granted***
97-14	8108.10.50	Unwrought Titanium		Pending
97-15	8704.10.50	Articulated Dump Trucks		Granted***
		B. Petition to Remove Product from GSP		
97-16	3920.62.00	Polyethylene Terephthalate Film		Granted
		C. Petitions to Waive Competitive Need Limits for [Country]		
97-17	0811.20.20	Raspberries (frozen)	[Chile]	Granted
97-18	1604.30.20	Caviar	[Russia]	Granted
97-19	2849.90.50	Carbides	[South Africa]	Granted***
97-20	2933.71.00	Caprolactam (6-Hexanelactam)	[Russia]	Granted
97-21	4011.10.10	Car Tires, Radial	[Brazil]	Denied
97-22	4011.10.50	Car Tires, Non -Radial.	[Brazil]	Denied
97-23	4011.20.10	Truck Tires, Radial	[Brazil]	Denied
97-24	4011.20.50	Truck Tires, Non-Radial.	[Brazil]	Denied
97-25	8108.90.60	Wrought Titanium	[Russia]	Granted
97-26	1701.11.10	Sugar	[Brazil]	Denied

* Except for Turkey
** Except for Argentina and India
*** Implementation dates for eligibility and CNL waiver to be established by USTR

ANNEX II De MINIMIS WAIVERS

HTSUS	BENEFICIARY	$ VALUE	SHARE OF US IMPORTS (1997)	DESCRIPTION
0304.10.30	Namibia	103,019	59.7%	Hake, filleted or minced, fresh or chilled
0305.20.20	Russia	18,500	100.0%	Sturgeon roe, dried, smoked, salted or in brine
0711.40.00	India	3,244,857	63.4%	Cucumbers including gherkins, provisionally preserved
0804.50.80	Thailand	1,424,365	51.1%	Guavas, mangoes, and mangosteens, dried
0813.40.10	Thailand	763,232	76.1%	Papayas, dried
1102.30.00	Thailand	3,321,954	78.7%	Rice flour
2008.99.35	Thailand	4,320,883	92.1%	Lychees and longans, otherwise prepared or preserved,
2309.90.70	Hungary	636,076	95.2%	Other preps nes with a basis of vitamin B12, for
2619.00.30	Venezuela	1,549,624	83.5%	Ferrous scale
2707.99.40	Venezuela	779,143	65.1%	Carbazole, from dist. of hi-temp coal tar or wt. of
2819.10.00	Kazakhstan	3,797,016	64.0%	Chromium trioxide
2825.30.00	Republic of South Africa*	11,030,395	99.7%	Vanadium oxides and hydroxides
2825.70.00	Chile	7,613,271	68.9%	Molybdenum oxides and hydroxides
2841.70.10	Chile	4,740,596	73.7%	Ammonium molybdate
2841.90.10	Republic of South Africa*	647,477	62.1%	Vanadates
2841.90.20	Kazakhstan	930,738	53.0%	Ammonium perrhenate
2903.23.00	Brazil	8,645,517	79.7%	Tetrachloroethylene (Perchloroethylene)
2903.61.10	Brazil	729,541	96.6%	Chlorobenzene
2903.69.05	Hungary	28,381	73.7%	3-Bromo-alpha,alpha,alpha-trifluorotoluene; and other
2907.29.25	Republic of South Africa*	131,704	57.2%	tert-Butylhydroquinone
2929.10.15	Brazil	2,207,908	86.6%	Mixtures of 2,4- and 2,6-toluenediisocyanates
2931.00.25	Brazil	2,107,735	99.8%	Pesticides of aromatic organo-inorganic
2933.19.45	Slovakia	8,502	66.9%	Nonaromatic drugs of heterocyclic compounds with
2933.40.08	Hungary	402,977	100.0%	4,7-Dichloroquinoline
2938.10.00	Brazil	1,111,143	79.6%	Rutoside (Rutin) and its derivatives
3808.30.20	Brazil	1,426,893	82.9%	Herbicides, antisprouting products and plant-growth
4202.22.35	Philippines	366,450	92.6%	Handbags with or without shoulder strap or without
4412.13.25	Brazil	2,604,109	56.2%	Plywood sheet n/o 6 mm thick, tropical hard wood outer
4412.14.25	Brazil	6,109,853	95.9%	Plywood sheet n/o 6 mm thick, outer ply of nontropical
4412.19.10	Brazil	963,513	96.8%	Plywood of wood sheets, n/o 6 mm thick each, with outer
4412.29.15	Russia	6,320,630	72.7%	Plywood nesoi, at least one hardwood outer ply nesoi,
4412.92.10	Brazil	67,670	100.0%	Plywood nesoi, softwood outer plies,least 1 ply tropical
4412.99.15	Brazil	315,711	100.0%	Plywood nesoi,softwood outer plies,no tropical hardwood
4412.99.45	Brazil	755,428	85.1%	Plywood nesoi, softwood outer plies, no trop. hard wood
5607.30.20	Philippines	4,577,085	81.8%	Twine, cordage, rope and cables of abaca or other hard
6116.99.35	Thailand	58,468	68.4%	Gloves, mittens & mitts specially designed for sports,
6501.00.30	Czech Republic	2,360,882	52.6%	Hat forms, hat bodies and hoods, not blocked to shape or
7113.20.30	Mauritius	959,876	68.2%	Base metal clad w/precious metal clasps and parts
7202.80.00	Russia	3,997,199	90.0%	Ferrotungsten and ferrosilicon tungsten
7604.10.30	Slovenia	4,847,079	72.6%	Aluminum (o/than alloy), bar and rods, with a round
8112.91.50	Chile	5,912,127	77.4%	Rhenium, unwrought; rhenium, powders
8112.99.00	Chile	3,224,801	52.4%	Gallium, hafnium, indium, niobium, rhenium, and thallium
8410.13.00	Egypt	835,000	62.5%	Hydraulic turbines and water wheels
8419.81.10	Thailand	4,446,374	50.2%	Microwave ovens for making hot drinks or for cooking
8455.90.40	Russia	3,060,128	57.5%	Parts for metal-rolling mills, other than rolls
8525.20.28	Thailand	6,810,286	50.8%	Radio transceivers, low power, operating on frequencies
8528.21.34	Thailand	140,210	87.2%	Non-high definition color video monitors, nonprojection
8543.90.64	Thailand	1,831,602	74.2%	Printed circuit assemblies of ion implanters
9013.10.30	Ukraine	3,090,335	70.3%	Telescopic sights for rifles designed for infrared
9401.90.15	Czech Republic	2,109,419	66.4%	Parts of seats nesoi, for bent-wood seats
9506.19.40	Czech Republic	1,557,025	76.5%	Cross country snow-ski equipment nesoi, and parts
9601.90.20	Philippines	3,938,643	57.5%	Shell, worked and articles thereof

* Implementation dates for waivers to be established by USTR

(The descriptions are generic and unofficial. Official definitions are contained in the U.S. Harmonized Tariff Schedule under the relevant HTSUS numbers. The abbreviations nes, nesi, and nesoi in the descriptions indicate basket categories of articles not included in other related tariff lines)

ANNEX III: REDESIGNATIONS

HTSUS	BENEFICIARY	$ VALUE	/ SHARE OF US IMPORTS (1997)	DESCRIPTION
2916.31.15	Estonia.....	7,243,484	48.9%	Benzoic Acid
4411.19.40	Brazil.....	4,123,268	6.1%	Fiberboard nesi, density exceeding 0.8 g/cm3
7103.99.10	Thailand.....	27,275,630	22.7%	Precious or semiprecious stones, nesoi, cut but not set
7615.19.10	Thailand.....	17,625	0.1%	Aluminum, cast cooking and kitchen ware, enameled or glazed
8112.11.60	Kazakhstan.....	0	0.0%	Beryllium, unwrought; beryllium, powders
8409.99.91	Brazil.....	52,800,233	14.3%	Parts nesi, used solely or principally with the engines
8409.99.99	Brazil.....	39,612,490	13.4%	Parts nesi, used solely or principally with compression
9025.11.20	Brazil.....	945,127	35.6%	Clinical thermometers, liquid-filled, for direct reading

ANNEX IV : ARTICLES EXCEEDING COMPETITIVE NEED LIMITS

HTSUS	BENEFICIARY	$ VALUE	SHARE OF US IMPORTS (1997)	DESCRIPTION
1604.15.00	Chile.....	10,119,724	63.5%	Prepared or preserved mackerel, whole or in pieces
2843.30.00	Colombia.....	65,696,693	90.1%	Gold compounds
2901.29.50	Republic of South Africa	18,970,276	84.5%	Unsaturated acyclic hydrocarbons, nesoi, not derived
4104.39.40	Argentina.....	99,144,096	70.4%	Upholstery leather, of bovine and equine leather, nesi
4409.10.40	Chile.....	97,772,101	36.0%	Standard wood moldings of pine (Pinus spp.), continuous
7113.19.29	India.....	101,064,433	14.0%	Gold necklaces and neck chains (o/than of rope or mixed
7113.19.50	Turkey.....	85,512,595	3.7%	Precious metal (o/than silver) articles of jewelry
7202.50.00	Russia.....	19,622,884	82.8%	Ferrosilicon chromium
8525.20.05	Philippines.....	26,075,823	51.7%	Citizens Band (CB) transceivers, hand-held
8528.12.16	Thailand.....	82,991,345	41.4%	Non-high def. color television reception app.,
8531.20.00	Philippines.....	84,474,877	9.0%	Indicator panels incorporating liquid crystal devices
8534.00.00	Thailand.....	83,266,874	4.0%	Printed circuits, without elements (other than connecting
8708.40.50	Brazil.....	39,738,781	58.2%	Pts. & access. of mtr. vehic. of 8701, nesoi
9001.30.00	Indonesia.....	75,099,015	58.9%	Contact lenses

Annex V Treatment of Association of Countries as One for GSP

Effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after June 30, 1998, general note 4(a) of the Harmonized Tariff Schedule of the United States is modified by adding to the "Associations of countries (treated as one country)" , the following:

Member Countries of the Southern African Development Community (SADC)

Currently qualifying:

Botswana
Mauritius
Tanzania

[FR Doc. 98–18285 Filed 7–8–98; 8:45 am]
BILLING CODE 3190–01–C

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Aviation Rulemaking Advisory Committee; Air Carrier Operations Issues—New Task

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of new task assignment for the Aviation Rulemaking Advisory Committee (ARAC).

SUMMARY: Notice is given of a new task assigned to and accepted by the Aviation Rulemaking Advisory Committee (ARAC). This notice informs the public of the activities of ARAC.

FOR FURTHER INFORMATION CONTACT: Quentin Smith, Flight Standards Service, AFS–200, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591.

SUPPLEMENTARY INFORMATION:

Background

The FAA has established an Aviation Rulemaking Advisory Committee to provide advice and recommendations to the FAA Administrator, through the Associate Administrator for Regulation and Certification, on the full range of the FAA's rulemaking activities with respect to aviation-related issues. This includes obtaining advice and recommendations on the FAA's commitment to harmonize its Federal Aviation Regulations (FAR) and practices with its trading partners in Europe and Canada.

One area ARAC deals with is air carrier operations issues. These issues involve the operational requirements for air carriers, including crewmember requirements, airplane operating performance and limitations, and equipment requirements.

The Task

This notice is to inform the public that the FAA has asked ARAC to provide advice and recommendation on the following task, applicable to both Part 121 and 135 operations:

Provide a review and analysis of industry practice with regard to reserve duty for flight crewmembers. Recommend to the FAA a performance-based or other regulatory scheme whereby the public is ensured that each flight crewmember is provided with sufficient rest to safely perform flight deck duties at a minimal cost to certificate holders and operators. The task will be segmented by the working group according to the types of operations under Part 119, such as domestic, flag, etc.

The product expected as a result of this task is a report to the FAA that provides specific recommendations and proposed regulatory text, if appropriate, that will resolve the issue of reserve duty. Specifically, these recommendations must ensure that pilots are sufficiently rested for flight deck duty. These recommendations should also ensure that flight crewmember resources are utilized so that the economic burden for the certificate holder is minimized. The report will include the following:

1. A review of the current scientific data on the effects of fatigue in reserve duty. Consider conflicting opinions.
2. An analysis of the current reserve schemes and operational situations. This analysis should include each of the types of operations under Part 119 and, if appropriate, different operations within those types.
3. A recommendation of the standards and criteria to be used.
4. The recommendation must outline how the FAA will measure compliance.
5. The report must include industry-provided data for an FAA economic analysis. This data should include the effects on small operators and small businesses.
6. The report should include industry-provided data regarding the record-keeping burden on the public.

The Reserve Duty/Rest Requirements Working Group is expected to complete its work by December 1, 1998. The FAA anticipates that the ARAC on air carrier operations issues will meet on December 1 to receive the recommendation of the working group and that ARAC will submit its recommendation to the FAA within 30 days. Participants of the working group should be prepared to participate on a full-time basis for the 4-month duration of the task completion.

ARAC Acceptance of Task

ARAC has accepted the task and has chosen to establish a new Reserve Duty/Rest Requirements Working Group. The working group will serve as to staff ARAC to assist ARAC in the analysis of the assigned task. Working group recommendations must be reviewed and approved by ARAC. If ARAC accepts the working group's recommendations, it forwards them to the FAA as ARAC recommendations.

Working Group Activity

The Reserve Duty/Rest Requirements Working Group is expected to comply with the procedures adopted by ARAC. As part of the procedures, the working group is expected to:

1. Recommend a work plan for completion of the task, including the rationale supporting such a plan, for consideration at the meeting of ARAC to consider air carrier operations issues held following publication of this notice.
2. Give a detailed conceptual presentation of the proposed recommendations, prior to proceeding with the work stated in item 3 below.
3. Draft a report containing information and data identified previously.
4. Provide a status report if needed, at each meeting of ARAC held to consider air carrier operations issues. Interim status reports may also be required.

Participation in the Working Group

The Reserve Duty/Rest Requirements Working Group will be composed of experts having an interest in the assigned task. A working group member need not be a representative of a member of the full committee.

An individual who has expertise in the subject matter and wishes to become a member of the working group should write to the person listed under the caption **FOR FURTHER INFORMATION CONTACT** expressing that desire, describing his or her interest in the task, and stating the expertise he or she would bring to the working group. The FAA is specifically seeking expertise from all kinds of operations under Part 119, including Part 135 on-demand operations and helicopter operations. All requests to participate must be received no later than July 24, 1998. The requests will be reviewed by the assistant chair and the assistant executive director, and the individuals will be advised whether or not the request can be accommodated.

Individuals chosen for membership on the working group will be expected to represent their aviation community segment and participate actively in the working group (e.g., attend all meetings, provide written comments when requested to do so, etc.). They also will be expected to devote the resources necessary to ensure the ability of the working group to meet any assigned deadline(s). Members are expected to keep their management chain advised of working group activities and decisions to ensure that the agreed technical solutions do not conflict with their sponsoring organization's position when the subject being negotiated is presented to ARAC for a vote.

Once the working group has begun deliberations, members will not be added or substituted without the approval of the assistant chair, the

assistant executive director, and the working group chair.

The Secretary of Transportation has determined that the formation and use of ARAC are necessary and in the public interest in connection with the performance of duties imposed on the FAA by law.

Meetings of ARAC will be open to the public. Meetings of the Reserve Duty/Rest Requirements Working Group will not be open to the public, except to the extent that individuals with an interest and expertise are selected to participate. No public announcement of working group meetings will be made.

Issued in Washington, DC, on July 2, 1998.

Quentin Smith,

Assistant Executive Director for Air Carrier Operations Issues, Aviation Rulemaking Advisory Committee.

[FR Doc. 98–18209 Filed 7–8–98; 8:45 am]

BILLING CODE 4910–13–M

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

Environmental Impact Statement: Harrison County, Mississippi

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of Intent.

SUMMARY: The FHWA is issuing this notice to advise the public that an environmental impact statement will be prepared for an East Harrison County connector between Interstate 10 and United States Highway 90 in Biloxi, Mississippi.

FOR FURTHER INFORMATION CONTACT: Cecil Vick, Realty Officer/Environmental Coordinator, Federal Highway Administration, 666 North Street, Suite 105, Jackson, MS 39202–3199. Telephone: (601) 965–4217. Contacts at the State and local level, respectively are: Mr. Billie Barton, Environmental/Location Division Engineer, Mississippi Department of Transportation. P.O. Box 1850, Jackson, MS, 39215–1850, telephone: (601) 359–7920; and Mr. Ricky Lee, District Engineer, Mississippi Department of Transportation, P.O. Box 551, Hattiesburg, MS, 39403–0551, telephone (601) 544–6511.

SUPPLEMENTARY INFORMATION: The FHWA, in cooperation with the Mississippi Department of Transportation (MDOT) will prepare an Environmental Impact Statement (EIS) on the proposed East Harrison County connector in Biloxi, Mississippi.

The proposed connector would be located in one of two corridor study areas; Corridor One would begin at Exit 41 (MS 67 interchange) crossing the Tchoutacobouffa River, Big Lake, and connecting to US 90 west of the Coliseum; Corridor Two would begin at Exit 44 (Cedar Lake Interchange) crossing Back Bay of Biloxi and connecting to US 90 west of Keesler Air Force Base. The connector is a proposed full control of access facility and interchanges will be studied at various locations.

Section 65–39–1(2), Mississippi Code 1972, annotated, authorized study of the connector and the Intermodal Surface Transportation Efficiency Act of 1998, authorized partial funding. Alternatives under consideration include (1) taking no action and (2) build alternative.

The FHWA and MDOT are seeking input as a part of the scoping process to assist in determining the clarifying issues relative to this project. Letters describing the purposed action and soliciting comments will be sent to appropriate federal, state, and local agencies, and to private organizations and citizens who have previously expressed or are known to have interest in this proposal. A formal scoping meeting with federal, state, and local agencies, and other interested parties will be held in the immediate future.

Coordination will be continued with appropriate federal, state, and local agencies, and to private organizations and citizens who have previously expressed or known to have interest in this proposal. A public involvement meeting will be held and a newsletter developed to keep the public informed. The draft EIS will be available for public and agency review and comment prior to the official public hearing.

To ensure that the full range of issues related to this proposed action are addressed and all significant issues identified, comments, and suggestions are invited from all interested parties. Comments or questions concerning this proposed action and the EIS should be directed to the FHWA at the address provided above.

Andrew H. Hughes,

Division Administrator, Jackson, Mississippi.

[FR Doc. 98–18256 Filed 7–8–98; 8:45 am]

BILLING CODE 4910–22–M

DEPARTMENT OF THE TREASURY

Customs Service

Extension to Application Period For The General Test Regarding The International Trade Prototype

AGENCY: U.S. Customs Service, Department of the Treasury.

ACTION: General notice.

SUMMARY: This notice announces that Customs will allow a 30-day extension to importers and exporters wishing to apply to participate in, or provide written comments on, the International Trade Prototype (ITP). The ITP was previously announced in the **Federal Register** on June 3, 1998.

DATES: To apply for participation in the ITP, parties must submit the necessary information as outlined in the **Federal Register** notice of June 3, 1998 on or before August 7, 1998. Comments concerning the ITP must be submitted on or before August 7, 1998.

ADDRESSES: Applications for voluntary participation in, or written comments regarding, the ITP should be addressed to the U.S. Customs Service, International Trade Prototype Team, Attn: Linda LeBaron Grasley, 4455 Genesee Street, Bldg. 10, Room #342, Buffalo, New York 14225. Note that all comments received by U.S. Customs will be part of the public record.

FOR FURTHER INFORMATION CONTACT: For any prototype or participation questions please contact Daniel Buchanan, U.S. Customs Service at (617) 565–6236, or Linda LeBaron Grasley, U.S. Customs Service at (716) 626–0400 x 204, or Kevin Franklin, United Kingdom, Her Majesty's Custom and Excise at 011 44 171 865 4728 in London, England.

SUPPLEMENTARY INFORMATION:

Background

On June 3, 1998, Customs published a document in the **Federal Register** (63 FR 30288) announcing what is expected to be a series of prototypes collectively called the International Trade Prototype (ITP). This notice invited public comments concerning any aspect of the planned prototype, informed interested members of the public of the eligibility requirements for voluntary participation in the first phase of the first prototype called International Trade Prototype 1 (ITP1) and outlined the development and evaluation methodology to be used in the test. It was announced that in order to participate in ITP1, the necessary information, as outlined in that notice, must be filed with Customs and approval granted.

The June 3, 1998, notice announced that the first phase would commence no earlier than June 8, 1998, and would run for approximately six months with evaluations of the prototype occurring periodically. Comments concerning any aspect of this phase were requested to be received on or before July 6, 1998. Importers and exporters who wish to participate were to have submitted an

application on or before July 6, 1998, including information that was set forth in the notice.

Today's document announces that Customs will allow a 30-day extension to importers and exporters wishing to provide comments or apply to participate in the International Trade Prototype. To apply for participation for the ITP or submit comments regarding the ITP, parties now have until August 7, 1998.

Dated: July 6, 1998.

Samuel H. Banks,

Acting Commissioner of Customs.

[FR Doc. 98–18233 Filed 7–8–98; 8:45 am]

BILLING CODE 4820–02–P

Corrections

Federal Register
Vol. 63, No. 131
Thursday, July 9, 1998

This section of the FEDERAL REGISTER contains editorial corrections of previously published Presidential, Rule, Proposed Rule, and Notice documents. These corrections are prepared by the Office of the Federal Register. Agency prepared corrections are issued as signed documents and appear in the appropriate document categories elsewhere in the issue.

DEPARTMENT OF COMMERCE

National Institute of Standards and Technology

15 CFR Part 280

[Docket Number: 980623159-8159-01]

RIN 0693-AB47

Implementation of the Fastener Quality Act

Correction

In rule document 98–17319, beginning on page 35507, in the issue of Tuesday, June 30, 1998, make the following corrections:

1. On page 35508, in the first column, the heading "**PART 280—FASTERNER QUALITY** " should read "**PART 280—FASTENER QUALITY** ".

2. On the same page, in the same column, in the 18th line "Qaulity" should read "Quality".

§ 280.12 [Corrected]

On page 35508, in the first column:

3. In paragraph (a), in the second line, "Qaulity" should read "Quality".

4. In paragraph (b), in the second line, "october" should read "October".

5. In paragraph (b), in the fourth line, "not" should read "been".

6. In paragraph (b), in the 8th line, "charteristics" should read "characteristics".

7. In paragraph (c), in the third line, "october" should read "October".

§ 280.602 [Corrected]

8. On page 35508, in the first column, in paragraph (k), in the second line, after "*prior*" insert "*to*".

§ 280.810 [Corrected]

9. On page 35508, in the second column, in paragraph (c)(3)(i)(A)(4), in the second line from the bottom, "Registrary" should read "Registrar".

BILLING CODE 1505-01-D

FEDERAL MARITIME COMMISSION

Notice of Agreement(s) Filed

Correction

In notice document 98–17405, appearing on page 35931, in the issue of Wednesday, July 1, 1998, make the following corrections:

1. On page 35931, in the second column, below the 14th line, insert "*Agreement No.*: 224–200870–002".

2. On the same page, in the same column, below the 29th line, insert "*Agreement No.*: 224–201003–001".

3. On the same page in the third column, "*Agreement No.*: 224–201054" should be added after the third line.

BILLING CODE 1505-01-D

federal register

Thursday
July 9, 1998

Part II

Department of Transportation

Federal Aviation Administration

14 CFR Parts 65, 66, and 147

Revision of Certification Requirements: Mechanics and Repairmen; Proposed Rules

Proposed Advisory Circulars, 66–XX: Aviation Maintenance Personnel Certification Regulations, Recurrent Training Requirements, and Aviation Maintenance Technician Training Program Providers Approval; Notice

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Parts 65, 66, and 147

[Docket No. 27863; Notice No. 98–5]

RIN 2120–AF22

Revision of Certification Requirements: Mechanics and Repairmen

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes to amend the Federal Aviation Regulations (FAR) that prescribe the certification and training requirements for mechanics and repairmen. Current regulations prescribing these requirements do not reflect the extensive differences in the maintenance skills required of currently certificated personnel, the significant technological advances that have occurred in the aviation industry, and the enhancements in training and instructional methods that have affected all aviation maintenance personnel. The proposed rule would consolidate and clarify all certification, training, and experience requirements for aviation maintenance personnel in a newly established part of the Code of Federal Regulations. The proposed rule would create additional certificates and ratings, and would modify the privileges and limitations of current certificates to respond more closely to the responsibilities of aviation maintenance personnel. In addition, the proposal would establish new training requirements that would enhance the technical capabilities of, and increase the level of professionalism among, aviation maintenance personnel. Further, as current rules do not provide the FAA with an accurate assessment of active aviation maintenance personnel, the proposal also would provide the FAA with essential demographic information that could be used to disseminate vital aviation safety and training information, thereby enhancing aviation safety. All of the proposals in this document have been extensively researched for the FAA by the Aviation Rulemaking Advisory Committee (ARAC) Part 65 Working Group, and all proposals made in this document are based on the ARAC's recommendations.

DATES: Comments must be received on or before November 6, 1998.

ADDRESSES: Comments on this proposed rule should be delivered or mailed, in triplicate, to: Federal Aviation Administration, Office of the Chief Counsel, Attn: Rules Docket (AGC–200), Docket No. 27863, Room 915G, 800 Independence Avenue SW., Washington, DC 20591. Comments submitted must be marked: "Docket No. 27863." Comments also may be submitted electronically to the following Internet address: 9–NPRM–CMTS@faa.dot.gov. Comments may be examined in Room 915G on weekdays, except Federal holidays, between 8:30 a.m. and 5:00 p.m.

FOR FURTHER INFORMATION CONTACT: Leslie K. Vipond, AFS–350, Continuous Airworthiness Maintenance Division, Flight Standards Service, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591, telephone (202) 267–3269.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Comments relating to the environmental, energy, federalism, or economic impact that might result from adopting the proposals in this notice also are invited. Substantive comments should be accompanied by cost estimates. Comments should identify the regulatory docket or notice number and should be submitted in triplicate to the Rules Docket address specified above.

All comments received, as well as a report summarizing each substantive public contact with FAA personnel on this rulemaking, will be filed in the docket. The docket is available for public inspection before and after the comment closing date.

All comments received on or before the closing date will be considered by the Administrator before taking action on this proposed rulemaking. Late-filed comments will be considered to the extent practicable. The proposals contained in this notice may be changed in light of the comments received.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must include a pre-addressed, stamped postcard with those comments on which the following statement is made: "Comments to Docket No. 27863." The postcard will be date stamped and mailed to the commenter.

Availability of NPRMs

Using a modem and suitable communications software, an electronic copy of this document may be downloaded from the FAA regulations section of the FedWorld electronic bulletin board service (telephone: (703) 321–3339), the Government Printing Office's electronic bulletin board service (telephone: (202) 512–1661), or the FAA's Aviation Rulemaking Advisory Committee bulletin board service (telephone: (800) 322–2722).

Internet users may reach the FAA's webpage at http://www.faa.gov/avr/nprm/nprm.htm or the Government Printing Office's webpage at http://www.access.gpo.gov/nara for access to recently published rulemaking documents.

Any person may obtain a copy of this NPRM by submitting a request to the Federal Aviation Administration, Office of Rulemaking, ARM–1, 800 Independence Avenue SW., Washington, DC 20591, or by calling (202) 267–9860. Communications must identify the notice number of this NPRM.

Persons interested in being placed on the mailing list for future NPRMs should request from the above office a copy of Advisory Circular (AC) No. 11–2A, Notice of Proposed Rulemaking Distribution System, which describes the application procedure.

Background

Statement of the Problem

In keeping with the FAA's policy of reviewing and upgrading regulations to ensure that they are consistent with changes in the aviation environment, the FAA has conducted a multiphase regulatory review to amend subparts D and E of 14 CFR part 65, which pertain to mechanics and repairmen. Since the recodification of the Civil Air Regulations into the FAR on August 10, 1962, a complete regulatory review of the certification requirements for these airmen has not been accomplished, and few significant revisions to these subparts have been made. However, numerous technological advances in the aviation industry, recent FAA and international regulatory activities, concerns over aging aircraft, and enhancements in training methods have significantly affected all aspects of aviation maintenance operations. Additionally, various and often conflicting interpretations of the existing regulations have resulted in confusion among the airmen for whom this part was intended. Based on these factors, the FAA has instituted this complete regulatory review of part 65, subparts D and E.

History

In November 1989, a joint industry/FAA part 65 review group was formed to evaluate and review certification requirements for mechanics and repairmen. The review group's objective was to develop and present a unified position on recommended changes to part 65. The group was composed of representatives from several aviation associations and was coordinated by the Professional Aviation Maintenance Association (PAMA). FAA interests were represented by the Aircraft Maintenance Division (AFS–300) of the FAA.

The review group conducted a series of panel discussions throughout the United States and, as a result, drafted the "Industry/FAA Part 65 Review Group Working Paper," which was completed on January 31, 1991. This paper presented the issues of general agreement within the review group and issues that the group believed would require further discussion.

In support of this regulatory review, the FAA also completed a historical review of part 65, subparts D and E, on October 22, 1991. This review revealed that, as of October 1991, there had been 17 amendments (1 of which was rescinded), 3 petitions for rulemaking, and 100 exemption actions to these subparts since recodification in 1962. In addition, one accident, the Aloha Airlines Boeing 737 structural failure on April 28, 1988, generated National Transportation Safety Board (NTSB) recommendations related to amending these subparts.

The three petitions for rulemaking addressed issues associated with establishing certificates and ratings for avionics and instrument technicians, recertifying mechanics, and allowing applicants for mechanic certificates who have not graduated from an aviation maintenance technician school approved under 14 CFR part 147 to take the oral and practical tests for a certificate or rating before completing the required written tests.

The majority of the requests for exemption, FAA policy letters, and legal interpretations regarding mechanics pertained to issues affecting inspection authorization renewal or to general eligibility and experience requirements. The majority of requests for similar actions concerning repairmen involved issues pertaining to certificate privileges and limitations.

During 1991, the FAA conducted a survey of FAA regional offices on the certification of mechanics, holders of inspection authorizations, and repairmen. A copy of this survey has been placed in Docket No. 27863.

The survey questions were derived from issues that were raised during FAA participation in listening sessions with aviation industry associations and the International Civil Aviation Organization (ICAO) Aircraft Maintenance Engineer Licensing Panel and from issues identified in legal interpretations, petitions for exemption, petitions for rulemaking, and enforcement actions.

Results of this survey showed clear support for: (1) replacing the term "mechanic" with "aviation maintenance technician"; (2) developing a system for granting additional privileges and limitations for mechanics; (3) encouraging additional FAA participation with ICAO and other aviation authorities to standardize training and certification of maintenance personnel; (4) using aviation maintenance instructor experience to satisfy recent experience requirements; (5) clarifying § 65.75(b), regarding written test requirements; (6) adding the term "facsimile" to § 65.16; and (7) developing a separate certificate or rating for balloon repairmen. The majority of the respondents supported changes in the English-language requirements for mechanics and repairmen, the continued acceptance of military aircraft maintenance experience as the basis for airframe and powerplant mechanic certification, and changes in the units of time (from months to hours) used in current § 65.77 to measure experience requirements for mechanics.

Further impetus for the part 65 review came with the establishment of the ARAC. The ARAC charter became effective on February 5, 1991 (56 FR 2190, January 22, 1991). It was most recently renewed on February 5, 1997 (FAA Order 1110.119C, Aviation Rulemaking Advisory Committee; March 3, 1997). The ARAC was established to assist the FAA in the rulemaking process by providing input from outside the Federal Government on major regulatory issues affecting aviation safety. The ARAC includes representatives of air carriers, manufacturers, general aviation, labor groups, colleges, universities, associations, airline passenger groups, and the general public. The ARAC's formation has given the FAA additional opportunities to solicit information directly from significantly affected parties, who meet and exchange ideas about proposed rules and existing rules that should be revised or eliminated. The FAA has received significant assistance from the ARAC in this review and in the formulation of the proposals in this NPRM.

At its first meeting on air carrier/general aviation maintenance issues on May 24, 1991 (56 FR 20492, May 3, 1991), the ARAC established the Part 65 Working Group. The ARAC tasked this Working Group to conduct a review of the certification requirements for mechanics, mechanics holding inspection authorizations, and repairmen. At that time, these requirements were in part 65, subparts D and E. Because the scope of the Working Group's task was extensive, the group divided its review of the certification requirements for aviation maintenance personnel into two phases.

Once the first phase of this review was complete, the ARAC analyzed the efforts of the Working Group and made a series of recommendations to the FAA, which resulted in the FAA's issuance of Notice No. 94–27 on August 17, 1994 (59 FR 42430). That NPRM proposed: (1) Establishing a separate part 66 for aviation maintenance personnel; (2) removing gender-specific terms from the original regulation; (3) changing the term "mechanic" to "aviation maintenance technician"; (4) changing the term "repairman" to "aviation repair specialist"; (5) establishing the equivalency of the aviation maintenance technician certificate and the aviation repair specialist certificate with current mechanic and repairman certificates; (6) allowing facsimiles to be used in the process of replacing lost or destroyed aviation maintenance technician and aviation repair specialist certificates; (7) requiring applicants to demonstrate English-language proficiency by reading and explaining appropriate maintenance publications and by writing defect and repair statements; (8) discontinuing the certification of aviation maintenance personnel who are employed outside the United States and who are not proficient in the English language; (9) requiring all aviation maintenance technician applicants to pass a written test that would examine their knowledge of all applicable maintenance regulations; (10) clarifying the requirement that each applicant for an aviation maintenance technician certificate pass all written tests before applying for oral and practical tests; (11) recognizing computer-based testing methods; (12) specifying all experience requirements in hours instead of months for initial certification; (13) establishing a basic competency requirement for aviation maintenance technicians; (14) allowing aviation maintenance technicians to use equipment-specific training as an additional means to qualify for the exercise of certificate

privileges; (15) permitting aviation maintenance instructors to use instructional time to satisfy currency requirements; (16) establishing training requirements for aviation maintenance technicians who desire to use their certificates for compensation or hire; (17) extending the duration of an inspection authorization from 1 to 2 years; and (18) expanding the renewal options available to the holder of an inspection authorization.

After further work by the Part 65 Working Group and the rapid completion of the second phase of the Working Group's review of the certification requirements for mechanics and repairmen, the ARAC recommended that the FAA consolidate the proposals made in Notice 94–27 with those proposals made by the ARAC at the completion of the second phase of the regulatory review. This decision was based on the ARAC's evaluation that the proposals made in the second phase of the Part 65 Working Group's review of the certification requirements for aviation maintenance personnel would cause significant changes to the format and content of proposed part 66, as set forth in Notice No. 94–27, which proposed the changes recommended by the ARAC and the FAA after the completion of the first phase of the review. As a result of the creation of new subparts in proposed part 66 for the aviation maintenance technician (transport) (AMT(T)) certificate and the inspection authorization, the addition of a separate rating for aviation maintenance instructors, and the creation of an additional aviation repair specialist certificate, the ARAC determined that the general organization of part 66, as previously proposed, would be greatly altered.

The FAA, in an effort to avoid confusion in the implementation of the final rule, agreed with the ARAC's recommendation and determined that the changes proposed in the earlier NPRM and the additional changes proposed as a result of recommendations made at the completion of the second phase of the regulatory review should be reconciled and consolidated into a single NPRM containing both sets of proposals. Therefore, the FAA is withdrawing the initial NPRM in a document published elsewhere in this separate part of the **Federal Register**. The FAA contends that the creation of part 66, as set forth in the earlier proposal, followed by a series of sweeping changes to implement the additional proposals set forth in this NPRM, would have been confusing to the aviation maintenance community and would have hindered the implementation of the changes that the Working Group has set out to accomplish.

The proposals developed during both phases of the part 65 regulatory review, and set forth in this NPRM, cover a broad range of issues affecting the certification of aviation maintenance personnel. This NPRM reconciles the proposals made in the earlier NPRM with the proposals made as a result of the completion of the second phase of the ARAC's review of the certification requirements for aviation maintenance personnel. As stated previously, all of the proposals in this NPRM have been extensively researched for the FAA by the Part 65 Working Group, and all proposals made in this NPRM are based on the ARAC's recommendations.

General Discussion of the Proposal

Modification of the Previous Proposal

A majority of the proposals developed during the first phase of the regulatory review and set forth in Notice No. 94–27 also have been set forth in this proposal. Of those 18 specific proposals previously noted as being set forth in the earlier NPRM, fewer than half have been significantly modified in this NPRM.

Many of the discrepancies between the current proposal and the earlier NPRM resulted from the previous proposal to equate a mechanic certificate to an aviation maintenance technician (AMT) certificate. As a result of the completion of the second phase of this review, the FAA proposes the creation of AMT and AMT(T) certificates. The current mechanic certificate with airframe and powerplant ratings would be equivalent to the proposed AMT(T) certificate with an aircraft rating (with no loss of privileges) and not the AMT certificate, as stated in the earlier NPRM. The original proposal to change the term "mechanic" to "aviation maintenance technician" has, therefore, been modified to reflect the proposed change. All privileges granted to an AMT(T) with an aircraft rating, as set forth in this notice, would apply to the holder of a current mechanic certificate with airframe and powerplant ratings. The holder of the proposed AMT certificate with an aircraft rating would not possess the full approval for return-to-service privileges of the holder of either the current mechanic certificate with an airframe and powerplant rating or the proposed (and equivalent) AMT(T) certificate with an aircraft rating.

This proposal also would combine the current airframe and powerplant ratings into a single "aircraft" rating. The FAA would not issue any proposed certificates with airframe and powerplant ratings as stated in the previous NPRM.

In the earlier NPRM, information pertaining to inspection authorizations was found solely in the subpart of proposed part 66 that would pertain to AMTs. The current proposal, however, would create two certificates (the AMT and AMT(T)), both of whose holders would be eligible for inspection authorization privileges. Therefore, the proposal would remove those sections that pertain to inspection authorizations from the subpart, proposed in the earlier NPRM, that was applicable solely to the AMT certificate and place this information in a separate subpart applicable to AMT and AMT(T) certificates. Additionally, the proposal would not permit participation in current inspection programs recommended by the manufacturer or other inspection programs established by the registered owner or operator under 14 CFR § 91.409(f)(3) or (4), as a means of satisfying inspection authorization renewal requirements.

By establishing a new type of aviation repair specialist certificate based on proficiency in a designated specialty area but not linked to employment, this proposal significantly reorganizes the subpart of previously proposed part 66 applicable to aviation repair specialists. Although Notice No. 94–27 states that a valid repairman certificate would be equal to an aviation repair specialist certificate, under the proposal contained in this notice, the current repairman certificate would only be equivalent to the aviation repair specialist certificate issued on the basis of employment (ARS–II) and not to the aviation repair specialist certificate issued on the basis of proficiency in a designated specialty area (ARS–I) (unless the FAA issued the current repairman certificate based on compliance with a recognized national standard, such as that established for nondestructive inspection).

Additionally, as a result of comments received on the earlier NPRM, the proposal to specify practical experience requirements in hours for the issuance of an AMT certificate would be retained; however, the time interval in which recent experience requirements would be measured would continue to be stated in months. Also as a result of comments received, this proposal would propose a mandatory recurrent training requirement for AMTs and AMT(T)s who use their certificates for compensation or hire; however, this NPRM would not propose that this recurrent training consist of a minimum of 16 hours of recurrent training every

24 months, as stated in the previous NPRM. To afford aviation maintenance personnel greater latitude in the types of training that could be used to qualify for the exercise of certificate privileges, this proposal would change the more restrictive term "equipment-specific training," as set forth in the earlier proposal, to "appropriate training." The proposal also would permit training on the "tasks to be performed" to be used to qualify a person for the exercise of certificate privileges, rather than require training to be on the "equipment on which the work is to be performed." Therefore, completion of training sufficient to permit the exercise of certificate privileges would not need to be conducted on the identical make and model of an item on which subsequent work would be performed. Maintenance personnel would be permitted to complete training by performing similar maintenance tasks on different makes and models of equipment. This would provide maintenance personnel with increased opportunities to obtain qualifying training without causing any decrease in safety.

To decrease the possibility that a certificate holder would have to make any additional requests for a telegram or facsimile to be used as proof of certification after a replacement certificate has been requested, this NPRM also would increase the period of validity of telegrams and facsimiles used as proof of certification from 60 days to 90 days.

Additionally, the FAA has revised the certificate eligibility requirements relating to English-language proficiency to permit aviation maintenance personnel who are deaf, hard of hearing, speech impaired, or possess similar medical conditions, yet have a command of the English language, to meet certificate eligibility requirements. Therefore, the FAA has added a provision to the proposed certificate eligibility requirements that would permit an individual who has a demonstrated proficiency in the English language, but who may not be able to meet the proposed requirements because of a medical condition, to have limitations placed on his or her certificate that would permit the exercise of certificate privileges.

New Proposals Based on the Completion of the Second Phase of the Regulatory Review of the Certification Requirements for Mechanics and Repairmen

Additional proposals developed during Phase II of the regulatory review and set forth in this NPRM would: (1) establish AMT and AMT(T) certificates; (2) establish additional training requirements for individuals seeking the AMT(T) certificate with an aircraft rating; (3) consolidate current airframe and powerplant ratings into a proposed aircraft rating; (4) provide for the registration of holders of AMT and AMT(T) certificates; (5) establish an aviation maintenance instructor rating; (6) permit AMTs and AMT(T)s to perform maintenance on horizontal card liquid-filled compasses; (7) grant inspection authorization privileges based on the type of certificate held by an individual; (8) require applicants for the inspection authorization to successfully complete an inspection authorization refresher course before application; (9) establish an aviation repair specialist certificate that may be issued independent of employment (ARS–I), based on proficiency in designated specialty areas; (10) require the holder of any certificate issued under proposed part 66 to notify the FAA of a change of address to continue to exercise the privileges of the certificate; (11) establish procedures for the approval of AMT(T) training providers; (12) permit certain aviation maintenance technician schools to test applicants for the AMT certificate; (13) establish procedures by which the Administrator would be able to grant, by waiver, certificates to applicants who have not met certain requirements of proposed part 66; and (14) replace the term "written test" with "knowledge test".

The remainder of this preamble addresses the proposed changes resulting from both phases of the FAA's review of the certification requirements for mechanics and repairmen through a discussion of the principal issues and in a section-by-section analysis of the proposed rule.

Principal Issues

Establishment of a Separate Subpart for Aviation Maintenance Personnel

Current part 65, in addition to regulating the certification requirements for aviation maintenance personnel, regulates the certification of airmen such as aircraft dispatchers, air traffic control tower operators, and parachute riggers, whose certification requirements and duties differ markedly from those of aviation maintenance personnel. Current industry estimates indicate that there are more than 145,000 certificated mechanics and repairmen. Among personnel certificated by the FAA, the number of certificated aviation maintenance personnel is second only to the number of certificated pilots. Aviation maintenance personnel work in all aspects of the aviation environment, perform tasks vastly different from those performed by other airmen, and are affected by training and recent experience requirements that are substantially more extensive than those affecting other airmen currently regulated by part 65. The aviation maintenance sector is one of the most complex sectors of the aviation community, and all aviation maintenance personnel must possess many technical skills. Therefore, the FAA proposes to establish a new part 66 under the title "Certification: Aviation maintenance personnel." This new part would be created by removing subparts D (Mechanics) and E (Repairmen) from current part 65 and by using these existing subparts as the nucleus for the newly created subpart B (Aviation Maintenance Technicians), subpart C (Aviation Maintenance Technicians (Transport)), subpart D (Inspection Authorizations), and subpart E (Aviation Repair Specialists) under proposed part 66. The sections of current subpart A (General) of part 65 that apply to aviation maintenance personnel would be included in subpart A of proposed part 66.

The addition of this new part to the FAR is warranted because of the proposed creation of additional certificates and ratings for aviation maintenance personnel, the expansion of current certification requirements, and the increasing complexity of the training and experience requirements affecting aviation maintenance personnel.

Redesignation of the Term "Mechanic"

Because of changes in aircraft technology, the amount of specialized training required to perform aviation maintenance has increased significantly since the introduction of the term "mechanic." The highly complex and technical field of contemporary aviation maintenance requires substantially more than the manual skills typically associated with individuals classified as "mechanics." The FAA asserts that the term "aviation maintenance technician" more completely describes the types of skills necessary to maintain today's complex aircraft and more accurately reflects the level of professionalism found in the aviation maintenance industry. Additionally, adoption of the term "aviation maintenance technician" would standardize terminology throughout the aviation industry and make part 66 consistent with part 147 (which regulates aviation maintenance technician schools), aviation maintenance trade publications, and the

civil aviation regulations of many ICAO member states. Accordingly, the FAA proposes not to use the term "mechanic" to designate certificates issued under proposed part 66.

Establishment of Aviation Maintenance Technician (AMT) Certificates and Aviation Maintenance Technician (Transport) (AMT(T)) Certificates

The Pilot and Aviation Maintenance Technician Blue Ribbon Panel, in its report titled "Pilots and Aviation Maintenance Technicians for the Twenty-First Century: An Assessment of Availability and Quality," noted that current FAA certification requirements do not give aviation maintenance personnel the entry-level experience and skills necessary for work involving transport-category aircraft that employ new technology. The panel further noted that because of the rapid acceleration of technological advances, the ability of AMTs to master this new technology without enhanced training is becoming exceedingly difficult. The Blue Ribbon Panel concluded that more preparation and training are required to meet the higher levels of qualification that the aviation maintenance industry demands.

The Blue Ribbon Panel strongly recommended that the FAA develop the means necessary to train aviation maintenance personnel to a level of expertise beyond the level currently required. The FAA agrees that this training must be accomplished to ensure that aviation maintenance personnel possess the necessary skills to maintain the sophisticated aircraft that are in service today.

In recognition of the increasing complexity and integrated nature of the systems found in transport-category airplanes and transport-category rotorcraft, and as a result of the Blue Ribbon Panel's and ARAC's recommendations, the FAA proposes the creation of the AMT certificate and the AMT(T) certificate.

Under the proposal, the holder of an AMT(T) certificate with an aircraft rating would possess full approval for return-to-service privileges for all types of aircraft, including those transport-category aircraft certificated under 14 CFR part 25 or 14 CFR part 29. Individuals obtaining this certificate and rating after the effective date of the rule would be required to complete additional training in those systems and procedures of critical importance to the maintenance of sophisticated transport-category aircraft. Holders of current mechanic certificates with airframe and powerplant ratings would not be required to obtain this additional training.

The holder of an AMT certificate with an aircraft rating would possess all the privileges of the AMT(T) certificate (and the equivalent mechanic certificate with airframe and powerplant ratings) except for full approval for return-to-service privileges of aircraft certificated under part 25 or part 29.

The proposal would, however, provide approval for return-to-service privileges, for any aircraft certificated under part 25 or part 29, to the holder of the proposed AMT certificate under certain limited and specified circumstances. The proposal recognizes that an AMT may occasionally be called on to perform relatively uncomplicated maintenance on aircraft certificated under part 25 or part 29. The holder of an AMT certificate would be permitted to approve these aircraft for return to service only after the performance of those preventive maintenance tasks specified in paragraph (c) of appendix A to 14 CFR part 43, or after the performance of certain tasks specified by the Administrator. Those additional tasks specified by the Administrator would be published in advisory material. These exceptions to permit the approval for return to service of an aircraft certificated under part 25 or 29 by an AMT recognize that in certain limited circumstances an AMT may be required to perform preventive maintenance (or other tasks specifically approved by the Administrator) on a transport-category aircraft and approve that aircraft for return to service. This need could arise at a remote location where an AMT(T) would not be available.

An AMT would be permitted to perform maintenance and preventive maintenance on transport-category aircraft but would be permitted to approve for return to service only the airframe, or aircraft engine, propeller, appliance, component, or part of the aircraft. The AMT certificate holder would not be permitted to approve the transport-category aircraft for return to service following the completion of tasks that are not specified in paragraph (c) of appendix A to part 43, or those tasks that have not otherwise been specified by the Administrator.

In formulating this proposed rule, the ARAC and the FAA considered requiring certificate holders operating under 14 CFR part 121 to ensure that any person approving its aircraft for return to service, regardless of the aircraft's certification basis, possess a current and valid AMT(T) certificate. This restriction would not apply, however, to approval for return to service of an aircraft after the performance of those tasks specified in paragraph (c) of appendix A to part 43 or other tasks approved by the Administrator. The FAA solicits comments on including the provisions of this proposal in part 121. Based on the comments received, the FAA may adopt such provisions in a final rule.

Under the proposed rule, current limitations pertaining to the approval of items for return to service after the completion of major repairs or major alterations would be retained for holders of the proposed AMT(T) certificate and the AMT certificate with an aircraft rating.

As a result of the regulatory changes to the certification requirements in this portion of the proposal and in the section of this proposal pertaining to the issuance of aviation repair specialist certificates (discussed below), the proposal would result in a certification process that would be compatible with that recommended by ICAO. The proposed certificate structure also would more closely reflect Transport Canada's proposed technician certification structure and would, therefore, facilitate the implementation of the fairly comprehensive provisions that pertain to the reciprocal acceptance of maintenance actions by U.S. and Canadian entities that operate under the terms of the U.S.-Canadian Bilateral Airworthiness Agreement.

Any current and valid mechanic certificate with airframe and powerplant ratings would be equivalent to an AMT(T) certificate with an aircraft rating. Therefore, any individual who possesses a mechanic certificate with airframe and powerplant ratings before the effective date of the rule would possess the same approval for return-to-service privileges as the holder of the proposed AMT(T) certificate with an aircraft rating. A valid mechanic certificate with an airframe and powerplant rating could be exchanged for an AMT(T) certificate with an aircraft rating. However, such an exchange would not be necessary because both certificates would continue to be recognized by the FAA and the privileges and limitations of the certificates would be identical.

After the effective date of the rule, the FAA would cease issuing and no longer recognize mechanic certificates with aircraft and aircraft engine ratings. Mechanic certificates with these ratings have not been issued since 1952. Individuals who hold valid mechanic certificates with aircraft and aircraft engine ratings and who intend to exercise the privileges of the AMT(T) certificate are encouraged to exchange

these certificates for mechanic certificates with airframe and powerplant ratings, as specified in current § 65.73(b), before the effective date of the rule. If these individuals exchange their mechanic certificates with aircraft and aircraft engine ratings for mechanic certificates with airframe and powerplant ratings before the effective date of the rule, these individuals would hold the privileges of the AMT(T) certificate after the effective date of the rule. After the effective date of the rule, a mechanic certificate with aircraft and aircraft engine ratings could not be exchanged for a valid mechanic certificate with airframe and powerplant ratings or an AMT(T) certificate with an aircraft rating.

In addition, after the effective date of the rule, the FAA would cease issuing mechanic certificates with airframe and powerplant ratings. However, mechanic certificates with airframe and powerplant ratings issued before the effective date of the rule would continue to be recognized by the FAA. The proposal would not require holders of valid mechanic certificates with airframe and powerplant ratings to exchange their certificates for the proposed AMT(T) certificate. If the holder of a valid mechanic certificate with airframe and powerplant ratings wished to exchange his or her certificate for an AMT(T) certificate after the effective date of the rule, that individual could do so without having to receive any additional training. In the event of a lost or destroyed certificate, the holder of a valid mechanic certificate with airframe and powerplant ratings would be issued an AMT(T) certificate with an aircraft rating. A mechanic, however, would not be precluded from completing the AMT(T) training curriculum (or obtaining credit for previous equivalent training).

Establishment of Additional Training Requirements for Holders of the Aviation Maintenance Technician (Transport) Certificate

An essential prerequisite for an individual to obtain the proposed AMT(T) certificate would be the completion of an AMT(T) training program. Successful completion of this program would ensure that a person approving transport-category aircraft for return to service would possess the requisite level of expertise necessary to accomplish such tasks.

All aviation maintenance personnel must possess a basic level of knowledge and skill to maintain an aircraft properly and approve that aircraft for return to service. Therefore, the FAA contends that the complexity of large transport aircraft systems and the enhanced level of safety required in air carrier operations, where transport-category aircraft are primarily used, necessitate that aviation maintenance personnel approving these aircraft for return to service possess additional specialized skills and training.

The FAA recognizes that acquiring these skills is a time-consuming process and that today's mechanics often learn the requisite skills while working for an air carrier or repair station. However, whether a current mechanic has these skills cannot be readily discerned through a review of an individual's current certification record. The proposed AMT(T) certificate would ensure that all aviation maintenance personnel certificated after the effective date of the rule who approve transport-category aircraft for return to service possess these skills. The AMT(T) certificate also would provide the individual with a readily available, FAA-sanctioned recognition of a level of proficiency that previously could not be determined by reference to the individual's certificate.

Through the creation of this certificate, operators of aircraft certificated under part 25 or part 29 could be assured that the holder of an AMT(T) certificate issued after the effective date of the rule possesses the requisite knowledge and skill to approve these aircraft for return to service. This would enable operators to employ aviation maintenance personnel who could more rapidly meet the needs of their specific operating environment without having to participate in extensive operator-sponsored training programs before performing maintenance on these aircraft. Therefore, operators would be able to focus their training resources on aircraft type and difference training rather than on primary aircraft maintenance skills for transport-category aircraft. Aviation maintenance technician training schools also would be able to apply their training resources more efficiently and could spend more time training their students in the fundamental concepts and basic skills of aviation maintenance.

Under the proposal, an applicant for an AMT(T) certificate who does not already possess the equivalent mechanic certificate with airframe and powerplant ratings would only be required to possess a current and valid AMT certificate and present evidence that he or she has completed an AMT(T) training program, administered by an approved training provider, that meets specific curriculum requirements. These training requirements would be designed to ensure that the holder of the certificate is competent to approve these aircraft for return to service.

The proposed training requirements for the issuance of the AMT(T) certificate with an aircraft rating would place no burden on current mechanics with airframe and powerplant ratings. Currently certificated mechanics possess approval for return-to-service authority for aircraft certificated under part 25 and part 29. Any holder of a current and valid mechanic certificate with airframe and powerplant ratings would, therefore, possess the privileges of the AMT(T) certificate with the aircraft rating. The proposal would not require a certificate exchange, and the FAA would recognize a current mechanic certificate with airframe and powerplant ratings as being equivalent to the proposed AMT(T) certificate with the aircraft rating. As stated previously, if the holder of a valid mechanic certificate with airframe and powerplant ratings wished to exchange the certificate for an AMT(T) certificate with an aircraft rating, the individual could do so after the effective date of the rule without having to receive any additional training.

After the effective date of the proposed rule, individuals intending to obtain an AMT(T) certificate would have to possess a current and valid AMT certificate and attend and successfully complete an AMT(T) training program, given by an approved training provider, that consists of 573 hours of training in subjects of critical importance to individuals who maintain aircraft certificated under part 25 or part 29. Training would be provided in subject areas such as electronics, composites, publications, safety and environmental concerns, structural repair, and powerplants and systems. Inclusion of these specific subject areas and the determination of the specific amount of training time that would be devoted to each individual subject area were specifically recommended by the ARAC after extensive consultations with aviation maintenance personnel, aviation maintenance educators, and operators of transport-category aircraft.

The FAA, in conjunction with the ARAC and the Part 65 Working Group, has developed a detailed list of those individual subjects that it recommends should be required for inclusion in each subject area. The FAA has not, however, proposed that these individual subjects be included in the proposal, as their inclusion would require that any future proposal to change the subjects taught would have to be accomplished through rulemaking or through the grant of a petition for exemption. The FAA would publish, before the effective date of the

final rule, a detailed list, in advisory material, of those subjects to be taught in an AMT(T) training program. By publishing this subject list in advisory material, the FAA could inform AMT(T) training providers of those subjects that should be taught in an AMT(T) training program and, in response to future developments in aviation technology, rapidly revise the list of subjects that are taught.

Because much of this training also can be obtained in aviation maintenance training programs used by certificate holders operating under 14 CFR part 121 or part 135, or repair stations certificated under 14 CFR part 145, individuals currently employed by these operators would be permitted to use the training gained in such programs to satisfy the requirements for the proposed AMT(T) certificate. However, these training programs would be required to meet the same standards as those of an AMT(T) training program administered by an approved training provider. The FAA contends that the flexibility provided by these training programs would enable the operator to tailor its training programs to meet current organizational maintenance requirements.

To refrain from unduly penalizing individuals currently possessing a mechanic certificate with a single rating, the effective date of the final rule is proposed for 18 months after its publication. This would permit these individuals to acquire either the airframe or powerplant rating, as appropriate, and facilitate the issuance of an AMT(T) certificate with an aircraft rating and its associated privileges and limitations. An individual possessing a mechanic certificate with a single rating would still be permitted to exercise the current privileges of that individual rating and those specified under proposed § 66.109, except as noted in proposed § 66.105.

Under the proposed rule, an individual holding a mechanic certificate with a single rating would be considered to hold the equivalent of an AMT(T) certificate limited to the privileges of the single rating. If the holder wished to exchange the certificate for an AMT(T) certificate, the AMT(T) certificate would include a specific endorsement limiting the certificate holder to the exercise of privileges identical to those of the current certificate and rating. In either case, the holder would not be permitted to approve for return to service the powerplant or propeller of any aircraft certificated under this chapter (or any related appliance, component, or part thereof) if the individual possessed only an airframe rating, or the airframe of any aircraft certificated under this chapter (or any related appliance, component, or part thereof) if the individual possessed only a powerplant rating. To have the limitation removed before the effective date of the rule, the individual would have to meet the knowledge, experience, and skill requirements necessary to obtain either the aircraft or powerplant rating, as appropriate. After the effective date of the rule, to have the limitation removed, the individual would have to receive the 573 hours of training required for the AMT(T) certificate. Therefore, the FAA strongly encourages anyone who holds a mechanic certificate with a single rating interested in obtaining an AMT(T) certificate without a limitation to obtain both the airframe and powerplant ratings before the effective date of the rule.

Additionally, certain individuals currently enrolled in aviation maintenance training programs may have enrolled in these training programs with the intent to apply only for one rating when they apply for the current mechanic certificate. To give these individuals the opportunity to complete their intended training without the additional expense of training for an unwanted rating, the FAA will continue to issue mechanic certificates and their associated ratings until the effective date of the rule. After that period, the FAA will only accept applications for, and issue, the proposed new certificates and ratings.

Most individuals currently enrolled in aviation maintenance training programs have enrolled in these programs with the intent of obtaining the approval for return-to-service privileges of the current mechanic certificate with both airframe and powerplant ratings. The FAA recognizes that some of these individuals may have only limited resources and may have enrolled in current mechanic training programs without notice of the proposed additional training requirements for the AMT(T) rating. The FAA contends that by establishing an effective date for the final rule as 18 months after its publication, these individuals would be provided with an adequate period of time to complete their training objectives and obtain mechanic certificates with airframe and powerplant ratings. Additionally, the FAA contends that the aviation maintenance training industry would require 18 months to develop adequate programs to train applicants for the AMT(T) certificate; therefore, a proposed effective date of 18 months after publication of the final rule is warranted.

Although the holder of a current mechanic certificate with airframe and powerplant ratings would possess the same privileges as the holder of an AMT(T) certificate with an aircraft rating and could exchange that mechanic certificate with airframe and powerplant ratings for an AMT(T) certificate with an aircraft rating without having to receive additional training, the FAA would encourage all current mechanics to complete the proposed training requirements for the AMT(T) certificate and aircraft rating.

Creation of an Aircraft Rating To Replace Current Airframe and Powerplant Ratings

In view of the integrated nature of today's aircraft and their associated systems, the FAA recognizes that the differences between the privileges and limitations conveyed by the current airframe and powerplant ratings are becoming less distinct. The FAA contends that the demands of current and future aviation technology require that aviation maintenance personnel have a broad-based level of knowledge. These demands frequently require the concurrent use of expertise associated with the disciplines of both airframe and powerplant maintenance.

Therefore, the proposal would require an applicant for an AMT certificate to possess the knowledge currently required of an applicant for the current mechanic certificate with both airframe and powerplant ratings at the time the individual applies for the proposed AMT certificate. The FAA contends that, by establishing an aircraft rating encompassing both the current airframe and powerplant ratings and by requiring an applicant to possess the training for both disciplines at the time of application for an AMT certificate, aviation maintenance personnel will better understand the nature and interrelationship of aviation systems as opposed to the individual maintenance disciplines. Such knowledge should lead to a greater understanding of how individual components affect other components within an aircraft and to a subsequent increase in the quality of aviation maintenance.

Similarly, an applicant for an AMT(T) certificate would be required to complete additional training that would encompass the disciplines of airframe and powerplant maintenance for transport-category aircraft and systems. After completion of this training, an applicant for an AMT(T) certificate would be awarded the AMT(T) certificate with an aircraft rating.

The proposal also would provide aviation maintenance technician

schools with greater flexibility in developing their individual course curriculums. By requiring an applicant to apply for the consolidated aircraft rating, aviation maintenance technician schools would have the incentive to integrate the training requirements for each of the current ratings into a single consolidated program. This integration should result in a more productive and less costly use of the resources of these schools. It also should eliminate any duplication of training requirements found in separate airframe and powerplant rating training programs.

As a result of the issuance of the aircraft rating to new applicants for the AMT certificate, the differentiation of tasks between current holders of the airframe rating or the powerplant rating would gradually diminish. To give the FAA the opportunity to develop new types of testing procedures to facilitate this change, the proposal would remove current regulatory language stating that the installation and maintenance of propellers is covered on the powerplant test and that an applicant for a powerplant rating must show the ability to make satisfactory minor repairs to, and minor alterations of, propellers. Although the FAA will continue to certificate applicants using these procedures, removing this language would permit the FAA to develop testing procedures that are more flexible and more appropriately suited to the integrated aviation maintenance environment.

Establishment of Recurrent Training Requirements for Certificated Aviation Maintenance Personnel

Under current part 65, there are no specific provisions that require recurrent training for certificated mechanics. Current §§ 121.375 and 135.433 require that an operator have a training program to ensure that persons performing maintenance or preventive maintenance functions be informed fully about procedures, techniques, and new equipment in use. Additionally, § 145.2(a) requires that repair stations performing maintenance for a part 121 operator comply with part 121, subpart L (which includes the requirements of § 121.375).

In an effort to ensure that all AMTs and AMT(T)s are fully informed of current maintenance practices in the rapidly changing aviation maintenance environment, the FAA proposes the adoption of recurrent training requirements for AMTs and AMT(T)s who use their certificates for compensation or hire. The proposal would particularly benefit AMTs and AMT(T)s who support operations conducted under part 91 and who do not receive training comparable to that received by AMTs and AMT(T)s who support operations conducted under part 121, part 135, or § 145.2(a). This proposal would ensure that all holders of AMT or AMT(T) certificates who exercise the privileges of their certificates for compensation or hire, and who have the sole responsibility for ensuring the airworthiness of the equipment on which they perform maintenance, meet training requirements similar to those in place for AMTs and AMT(T)s supporting operations under part 121, part 135, or § 145.2(a). In addition, this proposal also would ensure that all AMTs and AMT(T)s who support U.S.-certificated repair stations that do not have maintenance and preventive maintenance training programs receive comparable training.

Under the proposed rule, an AMT or AMT(T) who meets the prescribed work experience requirements and wishes to exercise, for compensation or hire, the privileges of the certificate or rating would be required to complete recurrent training.

Individuals who participate in currently required maintenance and preventive maintenance training programs provided by a certificate holder would meet the proposed recurrent training requirement. Individuals who do not receive recurrent training through a training program provided by a certificate holder could use a number of methods to meet the proposed requirement. An AMT refresher course, inspection authorization refresher course, or a series of such courses that are appropriate to the duties of an AMT or AMT(T) and acceptable to the Administrator could be used to satisfy the proposed recurrent training requirement. The FAA notes that by including a specific reference to the inspection authorization refresher course, the proposal seeks to encourage completion of this course by an AMT or AMT(T) who does not hold a current inspection authorization and, thereby, enhance that individual's understanding of the regulations relevant to the inspection authorization.

As an alternative to training provided in the form of an AMT, AMT(T), or inspection authorization refresher course, an AMT or AMT(T) who wishes to comply with the proposed recurrent training requirements and to exercise, for compensation or hire, the privileges of the certificate, may complete other training appropriate to the duties of an AMT or AMT(T). This training may be broad-based and would consist of any course, or series of courses, of instruction acceptable to the Administrator. A description of those additional types of courses that would be considered acceptable to the Administrator would be published in advisory material accompanying the publication of the final rule. For example, the completion of courses dealing with general maintenance practices or regulations applicable to maintenance operations would satisfy the intent of this proposed rule.

The FAA recognizes that many current mechanics who support part 91 operations, or other maintenance facilities without maintenance or preventive maintenance training programs in place, receive periodic maintenance training. For example, these mechanics may receive training through aviation training centers or manufacturers' courses. The proposed rule would permit this type of maintenance instruction to be credited toward completion of the proposed recurrent training requirement, provided the instruction is acceptable to the Administrator.

The proposal also would include specific provisions applicable to individuals exercising the privileges of their certificates while employed by an operator under part 121 or part 135, or by a repair station performing work for an operator under part 121. Such individuals would be considered to meet the recurrent training requirements set forth in the proposed rule.

In addition, an aviation maintenance instructor providing instruction for an aviation maintenance training program acceptable to the Administrator, or serving as the direct supervisor of individuals providing aviation maintenance instruction for an aviation maintenance training program acceptable to the Administrator, would meet the proposed recurrent training requirements. As a result of their position as aviation maintenance instructors, these individuals are continually exposed to current maintenance practices and often disseminate information about new practices, techniques, and equipment to the aviation maintenance community. These individuals would be considered fully informed about current maintenance practices.

The FAA notes, however, that an aviation maintenance instructor could meet the requirements for the exercise of the privileges of the aircraft rating but might not be able to exercise the privileges of the aviation maintenance instructor rating if the instructor has provided less than 300 hours of instruction or served as a supervisory

instructor for less than 300 hours during the preceding 24 months. However, recent experience requirements for the aviation maintenance instructor rating could be met if the individual successfully completed an AMT refresher course (or other course of instruction acceptable to the Administrator and appropriate to the duties of an aviation maintenance instructor) or if the Administrator specifically determined that the individual met the standard prescribed for the issuance of the rating.

Although the FAA considered establishing a requirement that recurrent training consist of a minimum of 16 hours every 24 months for AMTs and AMT(T)s supporting operations under part 91 and working for compensation or hire, the FAA has not proposed such action in this NPRM. The inclusion of a 16-hour recurrent training requirement for these individuals had been recommended by some participants in the Part 65 Working Group; however, it was the general consensus of the group that the specific number of hours for any proposed recurrent training requirement should be determined at a later date. Although written comments were solicited from all members of the group to provide justification for a specific recurrent training requirement, the FAA did not receive written comments providing such justification.

Currently, the FAA is engaged in a number of studies and activities to determine the appropriate level of recurrent training for aviation maintenance personnel. Specifically, the FAA is conducting an expanded job task analysis of those tasks performed by all aviation maintenance personnel to determine the appropriate focus and depth of recurrent training. The FAA also is analyzing accident data and airmen violations in which maintenance elements were a causal factor and is surveying its field inspectors in an effort to develop recurrent training requirements. The FAA also is sponsoring an ongoing study to determine the feasibility of forming a national training council that is composed of individuals, representatives of the aviation maintenance industry, and the FAA to determine proposed training requirements for aviation maintenance personnel. As a result of these efforts, the FAA is evaluating the appropriateness of consolidating all maintenance training into a single future NPRM and issuing detailed advisory material to provide specific guidance for the completion of training requirements. The FAA strongly supports the concept of recurrent training for aviation maintenance personnel and has proposed a recurrent training requirement in proposed part 66 that would establish a basic recurrent training for aviation maintenance personnel.

The recurrent training required under this proposal, as set forth in proposed §§ 66.65 and 66.111, encompasses more types of training than the types of training that may be used to satisfy the provisions of proposed §§ 66.63 and 66.109 for the exercise of specific privileges granted to AMTs and AMT(T)s with an aircraft rating. "Training acceptable to the Administrator on the tasks to be performed," as set forth in proposed §§ 66.63 and 66.109, is encompassed within the concept of training "appropriate to the duties" of an AMT or AMT(T), as set forth in proposed §§ 66.65 and 66.111, and may be used to satisfy both requirements. However, compliance with the proposed recurrent training requirements of § 66.65 or § 66.111 does not automatically authorize the AMT to perform a specific task. For example, an AMT who received maintenance training on a specific make and model of aircraft, which enabled the AMT to perform work on that specific aircraft under proposed § 66.63 or § 66.109, also may credit the instruction received as satisfying the recurrent training requirements in proposed § 66.65 or § 66.111. The completion of a course in general maintenance procedures would not, however, provide the specialized level of training required by the proposal to permit an AMT or an AMT(T) to perform work on a specific make and model of aircraft. (The use of training to qualify for the exercise of certificate privileges is discussed more thoroughly below.)

An individual who exercises the privileges of an AMT certificate or an AMT(T) certificate, but not for compensation or hire, would not need to complete the proposed recurrent training requirements. These individuals perform only limited work on aircraft that they own or on a limited range of aeronautical equipment. In such cases, knowledge of a broad range of current maintenance technologies is not necessarily required. Although the FAA encourages these personnel to attend recurrent training, the FAA has determined that a mandatory recurrent training requirement for these individuals is not currently warranted.

The proposal also sets forth a provision that would permit an AMT or AMT(T) who has not met the work experience and proposed recurrent training requirements of the certificate within the preceding 24 months to exercise the privileges of the certificate (including for compensation or hire) by completing requalification training acceptable to the Administrator. A specific minimum time requirement and course content for requalification training has not been specified in the proposed regulation to provide instructors and examiners with greater flexibility in assisting noncurrent AMTs and AMT(T)s to achieve the required proficiency. To be considered acceptable to the Administrator, any requalification training would need to include a review of those regulations applicable to the maintenance, preventive maintenance, or alteration of aircraft under the provisions of the FAR.

The holder also may continue to exercise all of the privileges of the certificate and associated ratings if the Administrator finds that the AMT or AMT(T) is competent to exercise those privileges. Passing an oral and practical test with a designated examiner (currently, a designated mechanic examiner (DME)) also would satisfy all recent experience requirements.

In recognition of enhancements in training technology, the proposed rule also requires successful completion of these courses, rather than attendance and successful completion. Therefore, the Administrator may find self-study courses acceptable for fulfilling the requirements specified in proposed § 66.65 or § 66.111.

This proposal for continued aviation maintenance training addresses concerns such as those expressed in recent proposals to require formal training for all aircraft mechanic applicants. In conjunction with the issuance of a final rule, the FAA will develop policy on the content and conduct of any AMT refresher course, AMT(T) refresher course, the range of training considered appropriate to the duties of an AMT or AMT(T), and requalification training. Any AMT refresher course or AMT(T) refresher course should also include a substantial review of those regulations pertinent to the exercise of the privileges of the AMT certificate or AMT(T) certificate, as appropriate.

Registration of Holders of Aviation Maintenance Technician (AMT) Certificates and Aviation Maintenance Technician (Transport) (AMT(T)) Certificates

The FAA currently has no accurate means to determine the number or location of active aviation maintenance personnel. Without this demographic information, the FAA is unable to make

accurate assessments of the status of the current mechanic population or provide currently active mechanics with essential safety and training information.

Based on the number of certificates issued, the FAA estimates that the number of certificated mechanics is second only to the number of certificated pilots. However, pilots (other than those of gliders or free balloons) are required to obtain a medical certificate issued under 14 CFR part 67 to exercise the privileges of their certificates. As a result of this process, the FAA is able to update its airman records effectively and make accurate assessments of the size of the active pilot population. Because no similar form of recurrent medical testing is required for current mechanics, the FAA is unable to assess accurately the number of active mechanics or delete deceased, inactive, or ineligible mechanics from its records. Therefore, any estimate of the current and active mechanic population is solely a matter of conjecture. Lack of this vital demographic information seriously hinders the FAA's ability to make accurate predictions of future industry requirements and to communicate important safety information to active mechanics.

In its report, the Blue Ribbon Panel expressed its concern about the FAA's aviation maintenance personnel records. The panel noted that, although the FAA issues approximately 20,000 mechanic certificates annually, the FAA has no procedures to identify the current number of active mechanics or to obtain other necessary demographic information pertaining to these individuals. In view of this finding, the panel recommended that the FAA conduct periodic registration of mechanics to obtain vital information about FAA-certificated aviation maintenance personnel and to ensure that these individuals could be provided with safety and training information whenever necessary. The Part 65 Working Group made a similar proposal to the ARAC, which concurred with the recommendation.

The FAA has accepted the ARAC and Blue Ribbon Panel recommendations; therefore, the FAA proposes to establish a periodic registration requirement for each holder of an AMT or AMT(T) certificate. In an effort to obtain a valid initial assessment of the current number of active aviation maintenance personnel, the FAA proposes that each AMT and AMT(T) be required to notify the FAA of his or her current address within 12 months after the effective date of this rule. The FAA contends that a 12-month period is sufficient to obtain a basic estimate of the current and active AMT and AMT(T) population and that any deviations from the estimate of the current population, as a result of changes to the AMT and AMT(T) population during the 12-month period, would be statistically insignificant. A 12-month period also would give all current certificate holders adequate notice of this proposed requirement and time to comply with the requirement.

After completion of this initial registration period, AMTs and AMT(T)s would be required to provide similar registration information during every subsequent 48-calendar-month period. The FAA considers that a 48-month continuing requirement is necessary to provide an up-to-date record of current and active AMTs and AMT(T)s. The FAA contends that changes to the AMT and AMT(T) populations, which occur as a result of the death of certificate holders or of personnel entering inactive status and not complying with current change of address requirements, would become statistically significant after a 48-month period. To ensure an accurate record of the size of the AMT and AMT(T) population, a reassessment would be required during each consecutive 48-month period.

In an effort to eliminate the repetitive submission of current address information to the FAA, an airman who notifies the FAA of a change of address, obtains an additional certificate, rating, or inspection authorization issued under this (or any other) part, or provides the FAA with current address information as a result of the application for an airman medical certificate during this period would be considered to have fulfilled the registration requirement.

The FAA has not proposed a periodic registration requirement for holders of aviation repair specialist certificates because holders of an aviation repair specialist certificate (except experimental aircraft builders) cannot exercise the privileges of that certificate without being employed by a certificated entity. Because the FAA could obtain any required demographic information pertaining to the holders of aviation repair specialist certificates from the operator or repair station under which an aviation repair specialist is exercising privileges, the proposal would not require the submission of registration information from aviation repair specialists. Therefore, the FAA contends that requiring the registration of aviation repair specialists would place an unnecessary burden on these individuals.

The responsibility for complying with the proposed registration requirement would rest solely on AMT and AMT(T) certificate holders. To simplify the proposed registration requirement for individual certificate holders, the FAA would only require AMT and AMT(T) certificate holders to provide their names and current addresses. The submission of any additional information would not be required, nor would the submission be required to be made on any specific form. To encourage compliance with these proposed requirements, an AMT or AMT(T) certificate holder who does not provide current address information to the FAA during the registration period would not be permitted to exercise the privileges of the certificate until that individual had complied with the proposed registration requirement.

The FAA specifically requests comments on its proposed registration of AMT and AMT(T) certificate holders. Based on its analysis of comments received, the FAA may adjust the lengths of the proposed initial and recurring registration periods.

Establishment of Training as an Additional Means for Aviation Maintenance Personnel To Qualify for the Exercise of Certificate Privileges

Through the use of training, the proposal would provide holders of AMT certificates and AMT(T) certificates with an additional means to remain qualified to approve for return to service any aircraft, airframe, aircraft engine, propeller, appliance, component, or part and to supervise the maintenance, preventive maintenance, alteration, and approval for return to service of these items.

Under current § 65.81, a certificated mechanic may supervise maintenance operations or approve and return to service an aircraft, appliance, or part if the certificate holder has: (1) Previously performed the work, (2) performed the work to the satisfaction of the Administrator, or (3) performed the work under the direct supervision of a certificated mechanic or repairman who has had previous experience with that specific task.

The proposal would allow AMTs and AMT(T)s to use appropriate training to obtain the competency necessary to supervise these operations or approve an item for return to service without previously having performed the work that is anticipated. Through the adoption of appropriate training to satisfy this experience requirement, the FAA recognizes enhancements in aviation maintenance training, which can provide the AMT with technical

knowledge equivalent to knowledge gained in the work environment. However, in allowing training to replace actual work experience, the FAA would require an appropriate level of specificity between the training and the actual work to be performed or supervised. Therefore, the proposal would require that the training used to satisfy this requirement be appropriate to the equipment on which the work is to be performed. For example, a course of instruction detailing the maintenance tasks for the same make and model aircraft on which an AMT will perform work, or a course of instruction detailing the maintenance tasks for a part or appliance on which the individual will perform work, would satisfy the provisions of the proposed rule and permit the exercise of certificate privileges under proposed § 66.63 or § 66.109. Such courses may be provided by any manufacturer, individual, or organization whose training has been found acceptable to the Administrator.

Training of a more general nature, which may be used to satisfy recent experience requirements as proposed in §§ 66.65 and 66.111, may not be sufficiently specific to allow an AMT or AMT(T) to perform work on a specific aircraft, airframe, aircraft engine, propeller, appliance, component, or part. For example, a course in the FAR that is applicable to maintenance procedures would not satisfy the provisions of proposed § 66.63 or § 66.109 but could be used to satisfy the provisions of proposed § 66.65 or § 66.111, respectively.

The FAA also proposes to clarify the intent of current § 65.81 by proposing language in part 66 that would allow AMT and AMT(T) certificate holders who desire to exercise supervisory, return-to-service, or approval responsibilities, to demonstrate, to the satisfaction of the Administrator, the ability to perform the work. The current regulation requires actual performance of the work.

An additional change to the current rule would enhance the ability of noncurrent AMTs and AMT(T)s to meet the recent experience requirements to exercise the privileges of their certificates and ratings. The proposed rule would allow these individuals to credit the time they work under the supervision of a certificated AMT or AMT(T) toward recent experience requirements. The FAA considers that work performed by a certificated but noncurrent AMT or AMT(T) under such circumstances would provide the individual with a level of experience equivalent to actual performance of the work.

Use of Instructional Time by Aviation Maintenance Instructors To Satisfy Recent Experience Requirements

The purpose of recent experience requirements is to ensure that all aviation maintenance personnel are familiar with current maintenance practices and the applicable FAR. The aviation maintenance instructor must keep abreast of current maintenance practices in a wide variety of disciplines to provide high-quality instruction. Aviation maintenance instructors perform a critical function in the aviation maintenance education process, and the FAA believes that the changes set forth in the proposed rule would recognize this importance.

Under current § 65.83, there are no provisions for allowing individuals involved in aviation maintenance instruction to use that experience for maintaining the recent experience required to exercise the privileges of their certificate and ratings. The FAA recognizes that the experience gained while providing aviation maintenance instruction or directly supervising other aviation maintenance instructors is commensurate with the experience obtained while directly performing aviation maintenance. The FAA already recognizes instructional experience for holders of an inspection authorization in current § 65.91(c)(2). Within that section, the phrase "actively engaged" includes instructors who are exercising the privileges of their certificate and ratings at an aviation maintenance technician school certificated under part 147. Therefore, the FAA proposes to allow the use of instructional time to satisfy recent experience requirements for holders of the AMT and AMT(T) certificates.

Under the proposed rule, the holder of an AMT or AMT(T) certificate with an aircraft rating could meet recent experience requirements by serving as an aviation maintenance instructor or by directly supervising other aviation maintenance instructors. The instruction concerned would have to be directly related to aviation maintenance and acceptable to the Administrator so that the time an individual spends providing instruction or directly supervising other instructors is equivalent to the experience gained while performing aviation maintenance tasks. For example, instructional time provided for a part 147 aviation maintenance technician school, an approved air carrier maintenance training program, an approved training provider, or a manufacturer's training program would be acceptable and would meet the intent of the proposed rule.

AMT(T) Recent Experience Requirements

Because the AMT(T) certificate would upgrade the level of maintenance proficiency of those individuals performing maintenance on aircraft certificated under part 25 or part 29, or on any airframe, aircraft engine, propeller, appliance, or component part thereof, the FAA would require that all work experience necessary to meet recent experience requirements for retention of the privileges of this certificate be maintained through work performed or supervised, or through instruction given or supervised, on aircraft certificated under part 25 or part 29, or on any airframe, aircraft engine, propeller, appliance, component, or part thereof. The holder of an AMT(T) certificate who does not meet recent experience requirements on aircraft certificated under part 25 or part 29 could exercise the more limited privileges of the AMT certificate if the holder complies with the AMT certificate's corresponding recent experience requirements.

Approval of AMT(T) Training Providers

To ensure that applicants for the proposed AMT(T) certificate possess the necessary knowledge and skill to approve aircraft certificated under part 25 and part 29 for return to service, the FAA has proposed that applicants for this certificate be required to complete an AMT(T) training program. For this program, the proposal would set forth a curriculum that would be specifically geared to the needs of individuals performing maintenance on transport-category aircraft. Although the proposed curriculum would be comprehensive in nature, it also would be flexible enough to be modified easily to respond to changes in aviation maintenance practices and techniques.

To determine the subject areas in the proposed AMT(T) training curriculum and the amount of training to be provided in each subject area, the Part 65 Working Group conducted a survey of 13 air carriers. The survey requested that its participants specify the depth and breadth of skills that aviation maintenance personnel must possess to perform work on transport category aircraft and approve these aircraft for return to service. The results of this survey were reviewed by aviation maintenance educators within the Part 65 Working Group and consolidated into the AMT(T) training curriculum proposed in this notice. The proposed

AMT(T) training curriculum would require that 573 hours of training be offered in the six broad subject areas of advanced electronics, composites, structural repair, powerplants and systems, safety and environmental concerns, and publications. The specific amount of training required in each individual subject area is specified in appendix A to proposed part 66.

The basic requirements for approval of training providers administering this AMT(T) training program are similar to those specified for the approval of other training course requirements specified in this subchapter. In its administrative requirements, the program established by this proposal would correspond to other training courses referenced in this subchapter; however, it will differ most significantly from other training courses in that, under the proposal, the FAA may approve the provider of the training program and not specifically approve the training curriculum, as is currently the case with training programs developed to satisfy the requirements of part 147. By approving the training provider, as opposed to the training program itself, the FAA contends that the training provider would have the necessary flexibility to modify the curriculum of the training program rapidly to respond to advances in aviation maintenance technology, while continuing to ensure that acceptable standards of training are met.

To ensure that these programs meet current industry standards, the FAA would require that an outline of the training program be provided for review. In recognition of the diversity of current information retrieval systems, this outline could be submitted in paper or electronic format, or in any other format acceptable to the Administrator. The outline would contain information specifying those subject areas to be taught and the number of hours of instruction required. Additional subject areas also could be included.

Facilities, equipment, and material requirements would be similar to those found in other course requirements specified in this subchapter; however, the training provider would ensure that all instructors in a training program meet the requisite standards of technical competency.

Revisions to the training program outline would be submitted in a manner identical to that required for initial approval of the training provider. Based on the improved effectiveness of training methods, the FAA may permit training program revisions that would offer fewer than the specified number of hours of instruction in the complete training program or in a designated subject area. The training provider would be required to provide justification for such a reduction. A reduction would be permitted only if the quality of training provided did not decrease. Sufficient indicators of student participation and progress in the program would be required to be reported; however, if an approved training provider already provided this information to the FAA as a result of reporting requirements specified in another part, a duplicate submission of this information would not be required.

The FAA notes that an aviation maintenance technician school certificated under part 147 also could offer a combined AMT and AMT(T) training program. In such a circumstance, the school would be required to obtain approval as an AMT(T) training provider under proposed part 66. Instruction used to satisfy AMT course curriculum requirements also could be used to satisfy AMT(T) training program requirements resulting in a combined AMT and AMT(T) training curriculum with significantly fewer hours of training than required to obtain the AMT and AMT(T) certificates separately. Instruction used to satisfy both AMT course curriculum requirements and AMT(T) training program requirements would be specified in the training curriculum approved under part 147 for use by the aviation maintenance technician school. The approved training curriculum also would be required to meet the provisions of proposed appendix A to part 66.

The proposal also would require approved training providers to provide each student who successfully completes the training program with a statement of graduation. Those students who complete only a portion of a training program could, upon request, receive a record of the training completed.

Although the proposal would permit training providers to contract for services to assist in the provision of the required training, records of any such contracts would have to be forwarded to the FAA. The proposal also would reiterate that the training provider, not the party providing contract services, would ultimately be responsible for the conduct of the training program.

The proposal would permit a training provider, other than a certificate holder operating under part 121 or part 135, an aviation maintenance technician school certificated under part 147, or a repair station that performs work under § 145.2(a), to retain approval for a period of 24 months. Because the training programs of these certificate holders are routinely surveilled, a training provider that also is a certificate holder under any of these parts would retain approval for the duration of that certificate. However, approval may be canceled at any time by the FAA or, voluntarily, by the training provider, or as a result of change of ownership. Like other training courses specified in this subchapter, the proposal would require that applications for a training provider's renewal of approval be submitted 60 days before the expiration of the current approval.

Performance of Repairs and Alterations by AMTs and AMT(T)s on Horizontal-Card Liquid-Filled Compasses

The current rule prohibits the repair or alteration of instruments by mechanics. However, the aviation maintenance industry has recognized that aviation instruments vary significantly in complexity. A commenter to the short-term FAA regulatory review initiated in response to a recommendation from the Clinton Administration's "Initiative To Promote a Strong Competitive Aviation Industry" noted that the fairly simple task of replenishing magnetic compass fluid and changing the expansion diaphragm in a compass could be accomplished by a mechanic with no adverse effect on safety. The commenter stated that these instruments must often be sent to instrument repair shops for maintenance that mechanics can readily accomplish. This action frequently results in increased and unnecessary costs to the user and, for certain operators, an unwarranted loss of use of the aircraft.

The ARAC and the FAA concur with this assessment and contend that an AMT or an AMT(T) can readily perform maintenance on horizontal-card liquid-filled compasses. Therefore, the FAA proposes that an AMT or an AMT(T) be permitted to perform all maintenance actions on horizontal-card liquid-filled compasses and that the limitations of the current rule prohibiting the performance of repairs and alterations to these instruments be removed.

Establishment of an Aviation Maintenance Instructor Rating

Under the provisions of the current rule, persons providing aviation maintenance instruction are not required to demonstrate any degree of teaching proficiency. Flight instructors certificated under part 61 are currently required to pass a knowledge test on the subjects in which instruction is required by § 61.185(a). These subjects include: the learning process, elements of

effective teaching, student evaluation and testing, course development, lesson planning, and classroom training techniques. Ground instructors certificated under subpart I of part 61 also are required to show a practical and theoretical knowledge of the subjects for which a rating is sought by passing a similar knowledge test.

Because it is necessary that the subject material taught by individuals providing aviation maintenance instruction be completely understood and adequately applied by students to the maintenance problems that they will eventually encounter in the aviation maintenance industry, the FAA, based on the ARAC's recommendation, proposes to create an aviation maintenance instructor rating that may be obtained by the holder of the AMT certificate or the AMT(T) certificate. The FAA contends that creation of this rating would serve to enhance the quality of aviation maintenance instruction that is provided in aviation maintenance programs. This enhancement would be accomplished by ensuring that aviation maintenance instructors possess not only technical proficiency in the subject material taught but also the requisite teaching competence to ensure that their students understand the material. Adoption of this proposal also would quantify and recognize the special skills required of an aviation maintenance educator, and would improve the images of aviation maintenance educators and aviation maintenance education.

The Blue Ribbon Panel also recognized these deficiencies. In its report, the panel noted that the instructional standards and the quality of aviation maintenance instruction often are questioned. It also noted that there was no certification, beyond that of a current mechanic certificate, needed to teach in an aviation maintenance technician school certificated under part 147. Therefore, the Blue Ribbon Panel recommended that qualification, certification, and recurrent training requirements be established for instructors who teach in part 147 schools.

Under the proposal, an applicant for an aviation maintenance instructor rating would be required to: hold a current and valid AMT certificate or a current and valid AMT(T) certificate for at least 3 years before application; present evidence that he or she has been actively engaged in the maintenance of aircraft for at least the 2-year period before application; and pass a knowledge test on instructional proficiency. The proposal recognizes the widespread use of computer-based testing in the administration of FAA examinations and, therefore, would require that a "knowledge test" rather than a "written test" be passed.

The FAA contends that the possession of an AMT certificate or an AMT(T) certificate is necessary to ensure the basic technical proficiency of the aviation maintenance instructor. The specific time period proposed for the possession of either certificate and the amount of time that the individual would be required to have been actively engaged in the maintenance of aircraft also are identical to the eligibility requirements for the issuance of an inspection authorization. The FAA contends that this minimum amount of actual work experience is required to give the aviation maintenance instructor the requisite practical experience necessary to explain the application of aviation maintenance concepts satisfactorily.

The proposed areas of educational theory and instructional techniques in which the prospective aviation maintenance instructor would be required to pass a knowledge test are the same areas that are currently tested on the fundamentals of instruction knowledge test for the flight instructor and ground instructor certificates. In recognition of other training that a prospective aviation maintenance instructor could receive, which would provide proficiency in educational theory and instructional techniques, an applicant would not be required to take this test if the applicant possesses a recognized degree in education or holds a current and valid State teaching certificate issued in the United States.

Under the proposal, any person providing or supervising aviation maintenance instruction within 12 months after the effective date of the rule at an aviation maintenance technician school certificated under part 147 would not be required to pass a knowledge test on those subjects specified in proposed § 66.69 to obtain the aviation maintenance instructor rating. To retain the ability to exercise the privileges of the proposed rating and maintain a high degree of instructional proficiency, the holder would be required to provide 300 hours of aviation maintenance instruction or serve as the supervisor of aviation maintenance instructors for a period of 300 hours within the preceding 24 months. For aviation maintenance instructors holding an AMT(T) certificate, this instruction would not need to be provided in transport-category aircraft or their associated systems. Recent experience requirements also could be maintained if the individual completed a refresher course acceptable to the Administrator and appropriate to the duties of an aviation maintenance instructor or if the Administrator determined that the aviation maintenance instructor continues to meet the standards prescribed for the issuance of the rating.

Current rules pertaining to the training of individuals at aviation maintenance technician schools certificated under part 147 require 1 instructor for each 25 students in a shop class. Because the current rule already recognizes the importance of qualified instructors in these classes, the FAA proposes that the best qualified providers of aviation maintenance education be available in these classes. Proposed §§ 147.23 and 147.36 would, therefore, require that these instructors also possess an aviation maintenance instructor rating. To enable instructors at these schools to acquire this rating, this requirement would not become effective until 12 months after the effective date of the rule.

The FAA also notes that certain subjects taught at aviation maintenance technician schools do not require the technical knowledge required of instructors who possess the AMT certificate or AMT(T) certificate. Therefore, the proposal would not require instructors who teach basic subjects (such as mathematics, physics, basic electricity, basic hydraulics, drawing, or similar subjects) at AMT schools that are certificated under part 147, to obtain an AMT or AMT(T) certificate and aviation maintenance instructor rating.

Establishment of Basic Competency Requirements for AMT Certificate Holders

Currently, § 65.79, which sets forth the skill requirements for a mechanic certificate, requires an applicant for a mechanic certificate to pass an oral and practical test covering the applicant's basic skills in performing practical projects covered by the written test. Because of the complexity of current aviation maintenance operations, the FAA proposes to establish a broad-based competency requirement for AMT certificate applicants under proposed § 66.59, which would encompass more than the skill requirements included in the current regulation.

Current interpretations of the existing regulation tend to emphasize the evaluation of basic skills that solely involve tasks requiring manual dexterity. Although mastery of these basic skills is invaluable, the FAA asserts that a more comprehensive level of competency, based on current

aviation maintenance practices, is required of AMTs. The proposed rule would expand the evaluation of AMT applicants to include a demonstration of competency in technical tasks and aircraft maintenance more appropriate to the current aviation environment and the certificate and rating sought. Therefore, all training provided to an applicant for any certificate, rating, or inspection authorization issued under the proposed part should be conducted to a proficiency-based standard evidenced by demonstrated competency to perform required tasks.

Specification of Practical Experience Requirements in Hours

The FAA proposes that the practical experience requirements for a mechanic seeking airframe and powerplant ratings, currently expressed in § 65.77 as 30 months, be expressed as the equivalent number of hours (5,000 hours) in proposed § 66.57, for an applicant seeking the AMT certificate with an aircraft rating. The FAA also proposes that the practical experience requirements for a repairman seeking a certificate, currently expressed as 18 months in § 65.101, be expressed as its hour equivalent of 3,000 hours in proposed § 66.203, for Aviation Repair Specialist-II (ARS–II) certificate applicants.

A change to the hourly experience requirements would give the FAA and the aviation maintenance industry a simpler method to measure and verify the amount of practical work experience that the individual applicant possesses. The proposed revision also would enable aviation maintenance personnel working in part-time positions to quantify their work experience more easily. FAA Order 8300.10, "Airworthiness Inspector's Handbook," currently permits the practice of measuring part-time experience requirements in hours. The proposed rule would expand this current practice by measuring part-time and full-time experience in hours.

The FAA, in the previous NPRM, proposed that all experience requirements, as stated in current § 65.77; all recent experience requirements, as stated in current § 65.83; and all eligibility requirements, as stated in current § 65.101, be expressed in hours instead of months. In response to comments received detailing the difficulties that such a proposal would impose on the ability of part-time aviation maintenance personnel to meet proposed recent experience requirements for the exercise of certificate privileges, the FAA proposes only that the practical experience necessary for the AMT certificate with the aircraft rating and the eligibility requirements for the ARS–II certificate be expressed in hours. Proposed recent experience requirements for the exercise of certificate privileges, however, would be expressed in months.

As the proposed rule would eliminate the issuance of individual airframe and powerplant ratings, the provisions currently stated in § 65.77(a), which require 18 months of practical experience, appropriate to the rating sought, with the procedures, practices, tools, machine tools, and equipment generally used in constructing, maintaining, or altering airframes or powerplants, would be eliminated under the proposal.

Establishment of a Requirement for Aviation Maintenance Technicians To Pass a Knowledge Test on All Applicable FAR

Current regulations require an applicant for a mechanic certificate to pass a written test that includes the applicable provisions of part 43 and part 91. Because contemporary maintenance operations require the applicant to understand certification and maintenance regulations other than those found solely in part 43 and part 91, the FAA proposes that the knowledge requirements for the AMT certificate with an aircraft rating require an applicant to pass a knowledge test on the applicable provisions of the entire chapter. The proposal recognizes the use of computer-based testing by replacing the term "written test" with "knowledge test".

Clarification of Requirement To Pass All Knowledge Tests Before Applying for the Oral and Practical Tests

There has been some confusion among applicants for the current mechanic certificate who are not enrolled at aviation maintenance technician schools approved under part 147 with regard to the language of current § 65.75(b). The current section requires an individual to pass each section of the written test before applying for the oral and practical tests prescribed by § 65.79. The FAA believes that it is essential that the applicant display knowledge of the equipment and procedures to be used by the applicant before the oral and practical tests are given. The applicant must possess adequate knowledge before being permitted to take the oral and practical tests because it is this knowledge that enables an applicant to solve practical problems and demonstrate the ability to perform the work of a certificated AMT. In addition, when taking an oral or practical test, an applicant for a certificate must handle complex equipment; a lack of knowledge about the use of that equipment could injure the applicant or others. Therefore, the FAA has clarified the current requirement by proposing language that would require all applicants for the AMT certificate, except students enrolled at an aviation maintenance technician school approved under part 147, to pass all knowledge tests before applying for the oral and practical tests.

Demonstration of English-Language Proficiency

The proposal would require all applicants for an AMT certificate, AMT(T) certificate, or aviation repair specialist certificate to read, write, speak, and understand the English language.

The current rule requires only those applicants desiring to exercise the privileges of current certificates within the United States to comply with English-language proficiency requirements. It does not specify an appropriate means for the applicant to demonstrate this proficiency nor does it provide a mechanism for the Administrator to issue a certificate to an individual who may not meet these English-language proficiency requirements solely because of a medical condition.

The proposal would require the applicant to demonstrate English-language proficiency by reading and explaining appropriate maintenance publications and by writing defect and repair statements. This proposal recognizes the highly technical nature of aviation maintenance in today's aviation industry. Proficiency with the general terminology of the English language is not sufficient to ensure the competency of an FAA-certificated AMT or aviation repair specialist. The individual must be able to understand and master the complex and often very specialized language of airworthiness instructions and other terminology associated with the maintenance of highly sophisticated aviation equipment.

In addition, the current airframe, powerplant, and general written tests for mechanics are administered in the English language. Applicants taking these tests must be proficient in the English language to complete these examinations successfully. Although currently certificated repairmen are not required to take written tests, these individuals also work in environments that require more than mere proficiency in the English language. Because the

FAA does not certify repairmen working under U.S.-certificated foreign repair stations and because of the need for all certificated repairmen to understand technical material written in English, the FAA proposes that all aviation repair specialists demonstrate proficiency in the English language.

In operations conducted at certificated U.S. air carriers, certificated U.S. commercial operators, and U.S.-certificated repair stations, the vast majority of technical information is conveyed in the English language. The FAA has determined that the proposed rule would guarantee a level of competency that would ensure that an applicant for either certificate is able to use all relevant maintenance publications effectively.

The proposal also would revise the current rule to permit the Administrator to issue certificates to applicants who are deaf, hard of hearing, speech impaired, or possess other similar medical conditions, yet have a demonstrated proficiency in the English language. Under the proposal, an applicant could be issued a certificate with specific limitations necessary for the safe maintenance, preventive maintenance, or alteration of aircraft if the applicant has a command of the English language, yet is unable to meet the proposed requirements solely because of a medical condition.

The FAA also proposes that exceptions found in current §§ 65.71 and 65.101, which permit the certification of mechanics and repairmen who are employed outside the United States but who are not proficient in the English language, be deleted from the proposed rule. The FAA proposes the inclusion of provisions in the proposed rule that would permit the Administrator to waive compliance with the proposed English-language proficiency requirement, in certain limited circumstances. The waiver provisions are discussed in more detail below.

Current holders of a mechanic certificate or repairman certificate who do not meet the English-language requirement but who are employed outside the United States by a certificated U.S. air carrier or a certificated U.S. repair station would continue to exercise the privileges of their certificates without a further showing of competency. Their certificates would remain endorsed, "Valid only outside the United States."

Waiver of Specific Certificate Requirements

The FAA recognizes that in certain distinct and special circumstances, deviations from compliance with the requirements of the FAR may be in the public interest. To afford the FAA with a means to respond rapidly to requests for deviations when such requests are in the public interest, the FAA proposes that certain provisions of the certification rules, contained in proposed part 66, be subject to waiver. The FAA has specifically identified two sets of circumstances where a waiver of the proposed certification requirements may be in the public interest. Therefore, the FAA proposes to include provisions in the proposed rule that would permit the issuance of certificates and ratings in deviation from the requirements of proposed §§ 66.51(b), 66.57, 66.201(b), and 66.203(b).

Although the FAA has proposed that all applicants for certificates issued under proposed part 66 be able to read, write, speak, and understand English, the FAA recognizes that in certain circumstances the issuance of an AMT, AMT(T), or aviation repair specialist certificate to an individual who does not meet this requirement may be necessary to ensure the continued airworthiness of U.S.-registered aircraft operating outside the United States. Only in such limited instances where no FAA-certificated AMT, AMT(T), or aviation repair specialist who can read, write, speak, and understand English is available to maintain a U.S.-registered aircraft overseas, will the FAA consider the issuance of a certificate. Any certificate issued in accordance with the proposed waiver provisions would contain an endorsement specifying that the certificate is valid only outside the United States and that the certificate holder may exercise the privileges of the certificate only while employed by a specific operator or certificate holder. Such restrictive endorsements would preclude any expansive use of the certificate's privileges to perform work outside the United States.

The FAA also recognizes that applicants for an AMT certificate may complete a significant portion of the required training at an aviation maintenance technician school certificated under part 147 but may be unable to complete the remaining portion of the required training. This situation frequently occurs as a result of the closing of an FAA-certificated aviation maintenance technician school or the relocation of a student to a portion of the country where an aviation maintenance technician school certificated under part 147 is not readily available. In such circumstances, the proposal would permit the FAA to issue an AMT certificate in deviation from the AMT training requirements specified in part 147 and, therefore, recognize an equivalent combination of formal training and work experience. The Administrator would, however, require the applicant to demonstrate specifically that he or she has received an amount of experience equivalent to that required of an applicant for the proposed certificate who has completed the training specified in part 147 for the issuance of the AMT certificate.

Issuance of any certificate under these provisions would be based on a demonstrated need and a finding that the applicant is able to safely exercise the privileges of the certificate and rating. An applicant also would be required to provide evidence sufficient to indicate that work experience used to satisfy part 147 training requirements that have not been completed is of equivalent scope and detail to ensure proficiency in those tasks specified in the training curriculum.

Recognition of New Testing Methods

In the area of testing administration, the FAA recognizes recent developments in training and testing technology and, therefore, has proposed to replace the term "written test" with "knowledge test". Because the results of some tests, such as those from recently approved computer-based testing, can be made immediately available to the applicant, the FAA proposes that a report of the knowledge test results be made available, as opposed to being sent, to an applicant who has taken an examination using computer-based testing.

Replacement of Lost or Destroyed Certificates by Facsimile or Telegram

The proposal would revise current procedures by permitting an airman who has lost a certificate issued under proposed part 66 to request a facsimile of the certificate from the FAA as confirmation of the certificate's original issuance. The proposal also would allow any request to the FAA to be made by facsimile and would permit the FAA to send directly to the airman a facsimile that the airman may carry as proof of the original certificate's issuance, for a period not to exceed 90 days. Adoption of the proposed changes would make the rule consistent with current practices implemented by the Airman Certification Branch (AVN–460) at the Aviation Standards National Field Office in Oklahoma City, Oklahoma. Current regulations specify the use of telegrams only and limit their validity to a 60-day period.

The proposed use of facsimiles, in addition to telegrams, reflects advancements in communications

technology and would speed access to FAA services by permitting the use of other means, such as telephone facsimile or computer modem, to obtain a replacement certificate. The use of these means would speed the replacement of a lost certificate to an airman, thereby decreasing the time during which an airman may not exercise the privileges of a certificate or rating. Increasing the period of validity of telegrams and facsimiles used as proof of certification also would decrease the possibility of a certificate holder having to make any additional request for a replacement certificate. Similar provisions are under consideration for adoption in other parts of the FAR.

Extension of the Duration of an Inspection Authorization

Under the proposed rule, the duration of an inspection authorization would be extended, from the current 12-month period ending in March of each year, to a 24-month period ending on the last day of the 24th month after the date of issuance of the inspection authorization. Extending the duration of the inspection authorization would make the authorization consistent with FAA practices regarding the issuance of other renewable certificates, such as the flight instructor certificate. A 24-month renewal cycle would relieve the public of a significant regulatory burden and FAA Flight Standards District Offices of a considerable administrative burden, without compromising safety. Modifying the existing training and recent experience requirements to coincide with the adoption of a 24-month renewal cycle would give holders greater flexibility in meeting regulatory requirements.

Granting of Inspection Authorization Privileges Based on the Type of Technician Certificate Held by an Applicant

In view of the creation of the proposed AMT and AMT(T) certificates, the FAA proposes to delineate the privileges and limitations of the inspection authorization in a manner similar to that provided for by the AMT and AMT(T) certificates. Under the current rule, the FAR sections pertaining to the issuance of an inspection authorization are found in subpart B of part 65, which pertains solely to currently certificated mechanics. With the creation of the new certificates, the holder of an AMT certificate or the holder of an AMT(T) certificate can apply for an inspection authorization. The FAA, therefore, proposes to create a new subpart, solely applicable to the issuance of inspection authorizations to holders of either AMT or AMT(T) certificates. The FAA contends that the retention of the current regulatory structure for inspection authorization privileges and limitations, which is based on the possession of a single certificate, would be inconsistent with a certification structure that provides for two different types of certificates with different privileges and limitations.

An inspection authorization holder's privileges would be dependent on the privileges of the type of certificate held by the individual possessing the inspection authorization. Under the proposal, the privileges of an individual possessing an inspection authorization and holding a current and valid AMT(T) certificate with an aircraft rating would not be any different from the privileges of the holder of an inspection authorization possessing a current and valid mechanic certificate with airframe and powerplant ratings as specified in current § 65.95.

An individual possessing an inspection authorization with an AMT certificate that has an aircraft rating, however, would not be permitted to approve aircraft certificated under part 25 or part 29 for return to service after the completion of a major repair or alteration. This individual also would not be permitted to perform an annual inspection nor to perform or supervise an annual inspection on any aircraft certificated under part 25 or part 29.

The general eligibility requirements for an individual holding an AMT or AMT(T) certificate to obtain an inspection authorization would be the same as those specified under the current rule, with the exception that an individual seeking the more comprehensive privileges conferred on the holder of an inspection authorization with an AMT(T) certificate would be required to satisfy all eligibility requirements through the performance of work on aircraft certificated under part 25 or part 29, or on the airframes, aircraft engines, propellers, appliances, components, or parts of these aircraft. An individual intending to obtain these inspection authorization privileges would be required to have been actively engaged in this type of work for 2 years before application for the authorization and possess a current and valid AMT(T) certificate for at least 3 years before application. Current eligibility requirements and proposed eligibility requirements for the issuance of an inspection authorization to the holder of a mechanic certificate only require that the applicant have been actively engaged in the maintenance of any type of aircraft for 2 years before the date of application and hold a current and valid mechanic certificate for a period of at least 3 years. Essentially, the proposal would require that an individual intending to exercise the approval for return-to-service privileges of an inspection authorization with respect to aircraft certificated under part 25 or part 29 obtain the requisite experience for the inspection authorization through the maintenance of aircraft certificated under these parts. An AMT(T) with an inspection authorization who does not meet this requirement but meets the requirements for the holder of a AMT certificate with an inspection authorization would be permitted to exercise the privileges of the holder of an AMT certificate with an inspection authorization.

Renewal requirements would not change under the proposed rule, with the exception that an individual possessing an AMT(T) certificate who intends to obtain an inspection authorization and exercise the complete range of privileges available under the authorization must perform the requisite inspections on aircraft certificated under part 25 or part 29.

Because the inspection authorization has become the subject of a separate subpart, references to the inspection authorization in Subpart A " General have now been included in the proposed rule. Inclusion of references to the inspection authorization in this subpart would not affect any current privileges or limitations of an inspection authorization.

Requiring Applicants for the Inspection Authorization To Complete an Inspection Authorization Refresher Course Before Their Initial Application

The proposal would establish a requirement that all applicants for an inspection authorization successfully complete an inspection authorization refresher course during the 12 months before application for an inspection authorization. The current rule does not impose this requirement. Current renewal options available to the holder of an inspection authorization permit the holder to renew the inspection authorization indefinitely without having attended an inspection authorization refresher course. Therefore, the holder of a current inspection authorization may have never attended an inspection authorization refresher course.

FAA surveys indicate that standardization of inspection procedures and the proper completion and submission of required

documentation are consistent problems among holders of inspection authorizations. Successful completion of an inspection authorization refresher course before initial application would ensure that all future holders of an inspection authorization were instructed in the uniform interpretation of regulatory and advisory material before exercising the privileges of the inspection authorization.

Expansion of Inspection Authorization Renewal Options

The proposal would permit the holder of an inspection authorization to use a combination of annual inspections, inspections of major repairs or major alterations, and complete progressive inspections to satisfy the renewal requirements for the inspection authorization. Such a provision would give the holder of an inspection authorization much greater flexibility in meeting renewal requirements. To facilitate the combination of these inspections with other inspection periods currently designated in months for the purpose of certificate renewal, the proposal would change the currently specified 90-day periods for inspections to 3-month periods.

Notice No. 94–27 proposed that the holder of an inspection authorization be permitted to use participation in current inspection programs, which are recommended by the manufacturer, or other inspection programs established by the registered owner or operator under § 91.409(f)(3) or (4), to satisfy renewal requirements. This proposal is not being included in this NPRM. Although the experience gained through participation in such inspection programs may be commensurate with the experience currently accepted to obtain the inspection authorization renewal, an inspection authorization is not required to participate in these inspection programs. The FAA deems it inappropriate to permit the holder of an inspection authorization to use participation in an inspection program that does not require an inspection authorization as a means (and possibly the sole means) of satisfying inspection authorization renewal requirements.

Under the current regulation, the holder of an inspection authorization may renew the inspection authorization by attending and successfully completing a refresher course, acceptable to the Administrator, of not less than 8 hours during the 12-month period preceding the application for renewal. The previously published NPRM would permit the holder to renew an inspection authorization by attending and successfully completing a refresher course, or series of courses, acceptable to the Administrator, of not less than 16 hours during the proposed 24-month period preceding the application for renewal. The FAA considered modifying the previously published NPRM to permit the holder to renew the inspection authorization by successfully completing an 8-hour course of instruction during the expanded 24-month renewal period. Comments made on this proposal by the ARAC on air carrier/general aviation maintenance issues, however, indicated that acceptance of this change would effectively halve the amount of recurrent training that the holder of an inspection authorization would receive when renewing the inspection authorization through the use of this option. After reviewing the ARAC's concerns, the FAA has determined that completion of a 16-hour inspection authorization refresher course, or series of courses, acceptable to the Administrator, during the expanded renewal period is necessary to provide a level of recurrent training equivalent to that currently required of individuals seeking to renew an inspection authorization through the use of this training option. Therefore, this NPRM retains the language of the earlier proposal.

Redesignation of the Term "Repairman"

In view of the specialized nature of aviation maintenance tasks performed by currently certificated repairmen, the FAA proposes that the term "aviation repair specialist" replace the term "repairman". The FAA contends that the term "aviation repair specialist" more accurately reflects the level of expertise required to maintain today's highly complex aviation systems. In addition, the use of the term "aviation repair specialist" would serve to increase the level of professionalism among aviation maintenance personnel. Adoption of the term would also be consistent with the FAA's policy of implementing gender-neutral regulations. The term "aviation repair specialist" would be used to describe the three types of aviation repair specialist certificates that could be issued under the proposal: (1) the aviation repair specialist certificate issued on the basis of proficiency in a designated specialty area (ARS–I), (2) the aviation repair specialist certificate issued on the basis of employment (ARS–II), and (3) the aviation repair specialist certificate issued to experimental aircraft builders (ARS–III).

The aviation repair specialist certificate issued on the basis of employment (ARS–II) would be the equivalent of the current repairman certificate, and the aviation repair specialist certificate issued to experimental aircraft builders (ARS–III) would be the equivalent of the current repairman certificate-experimental aircraft builder.

The aviation repair specialist certificate would not be issued to holders of the AMT or AMT(T) certificate because an AMT or AMT(T) certificate holder does not require an aviation repair specialist certificate to exercise approval for return-to-service authority. However, the AMT or AMT(T) may still require additional training to obtain the necessary competency to perform work on certain items and to approve these items for return to service. Completion of training equivalent to that required for the issuance of an aviation repair specialist certificate in a designated specialty area (ARS–I) would provide an AMT or AMT(T) with the qualifications necessary to perform work in that specialty area and would also serve as an indication that an AMT or AMT(T) possesses the qualifications necessary to exercise approval for return-to-service privileges in the specialty area.

Establishment of an Aviation Repair Specialist Certificate Based on Proficiency in Designated Specialty Areas That May Be Issued Independent of Employment

Currently, an applicant for a repairman certificate (with the exception of those issued to experimental aircraft builders) is required to possess the ability to perform the specific task for which he or she is employed and to obtain the recommendation of the certificated repair station, commercial operator, or air carrier by which that individual is employed. A repairman is not currently required to meet any uniform national standard for the specific discipline in which the individual performs work.

Extensive study by the Part 65 Working Group has indicated that the increasingly complex nature of aviation maintenance requires that an individual who performs work in certain specialized and highly technical areas should meet formal standardized qualifications. The ARAC concurred with the findings of the Part 65 Working Group in this matter and has made this recommendation to the FAA. The FAA accepts the ARAC recommendation and proposes to issue an aviation repair specialist certificate based on proficiency in designated specialty areas. The qualifications for the issuance of this proposed certificate would be based on nationally and

internationally recognized standards (developed by the aviation maintenance industry) that the FAA considers essential for the performance of work in a highly specialized area. The FAA currently proposes to issue aviation repair specialist certificates with ratings based on proficiency in the areas of nondestructive inspection (NDI), composite structure repair, metal structure repair, and aircraft electronics. Although the FAA has defined a number of specialty areas, additional specialty areas are under consideration (such as glider and hot air balloon repair), and new and previously unknown disciplines also may emerge as specialty areas as technology advances. Therefore, additional certificates and ratings, issued by the Administrator, that recognize proficiency in these areas may be established later.

As a result of meeting these established qualifications, the proposal would permit the holder of an aviation repair specialist certificate issued on the basis of proficiency in a designated specialty area (ARS–I) to retain the certificate independent of employment by a certificated repair station, commercial operator, or air carrier. However, an individual intending to exercise the privileges of the proposed ARS–I certificate would only be permitted to perform those tasks for which the individual is certificated while employed by a certificated repair station, commercial operator, or air carrier, because approval for return-to-service authority would continue to rest with the employer, not the ARS–I certificate holder.

The proposed certificate would be issued directly to the applicant and would not be held by an aviation maintenance organization, as is the practice with the current repairman certificate. Therefore, the individual could leave the employment of any of these organizations and retain the certificate. However, the individual would not be able to exercise the privileges of the certificate until he or she had obtained a position with another certificated repair station, commercial operator, or air carrier. Accordingly, an ARS–I who is an independent contractor to a certificated repair station, commercial operator, or air carrier would not be permitted to exercise the privileges of the certificate.

Because the holder of the proposed certificate would have demonstrated a recognized level of proficiency to obtain the proposed certificate, the FAA contends that it would be unnecessary for the applicant to reapply for the certificate every time the individual changes his or her place of employment. Therefore, the certificate would remain valid until surrendered, suspended, or revoked.

The proposed ARS–I certificate would require the completion of an approved training course or program in the specialty area sought. This training and certification would ensure the technical competency of the individual. It would no longer be necessary for an employer to recommend an individual to perform work similar to that performed for a previous employer. An individual would obtain this new certificate by submitting evidence, acceptable to the Administrator, that demonstrates satisfactory completion of an approved aviation repair specialist training course for a rating in a designated specialty area or, before 12 months after the effective date of the rule, evidence of the ability to perform those tasks appropriate to the certificate and rating sought. Evidence of the ability to perform tasks appropriate to the rating sought could consist of a current repairman certificate with a rating that requires an applicant to possess a level of competency equivalent to that required for the issuance of an ARS–I certificate in one of the designated specialty areas (e.g., a repairman certificate with an NDI rating). However, the holder of a repairman certificate who provides evidence of competency in a specific area of technical expertise that is not equivalent to that required for an ARS–I certificate in a designated specialty area would need to provide additional evidence to indicate competency in the designated area. The FAA also notes that an individual possessing a mechanic certificate with an airframe rating would not need to apply for an ARS–I certificate as the privileges of the aviation repair specialist certificate would be encompassed in the privileges of the current mechanic certificate.

To ensure that an ARS–I certificate holder remains qualified to perform the tasks appropriate to the designated specialty area in a rapidly changing aviation maintenance environment, the proposal would require the holder to meet the current qualifications and proficiency requirements for the issuance of the certificate and rating in the designated specialty area. This requirement would be met through training to a proficiency-based standard evidenced by demonstrated competency to perform required tasks, and not through completion of a specified number of hours of training. The holder of both the ARS–I certificate and the ARS–II certificate also would be afforded the opportunity to meet this requirement through participation in training programs administered by the part 145 repair station, commercial operator, or air carrier by which the individual is employed. Because the proposed ARS–I certificate would be issued directly to an applicant, the proposal also would revise those general provisions of subpart A to include the appropriate references to this new certificate.

Although the FAA considered establishing a certification structure that would have eliminated the issuance of specialized certificates, the FAA contends that a certification structure that includes aviation repair specialist certificates is more appropriate. The FAA contends that the complex nature of current aviation maintenance technology requires the retention and training of individuals who are highly trained in technical specialties of a narrow scope. The retention of such highly trained individuals ensures the highest level of safety in the maintenance of complex components. The implementation of the proposed certification structure also ensures the continued existence of aviation maintenance personnel who have a more broad-based level of technical expertise and are able to assess the integrity of the various systems and components within an aircraft and approve an aircraft for return to service (AMT and AMT(T)). It also ensures the continued existence of aviation maintenance personnel trained in highly specialized areas of aviation maintenance (ARS–I, ARS–II, ARS–III). A certification structure containing a generalized certificate with approval for return-to-service privileges and a certificate indicative of proficiency in the more technical areas of aviation maintenance has been retained.

Notification of Change of Address for the Continued Exercise of Certificate Privileges

Current § 65.21 requires mechanics and repairmen to notify the FAA of a change of permanent address within 30 days. Although the current rule requires that an airman issued a certificate under this part provide such a notification, the airman may, under the current rule, continue to exercise the privileges of the certificate even if he or she fails to make the notification.

Pilots, like other individuals issued certificates under this part, also are required to notify the FAA of a change of their permanent address within 30 days. However, pilots may not continue to exercise the privileges of the certificate if they fail to comply with existing notification requirements.

Recent FAA experience in using current address information records to provide information of concern to mechanics has indicated that current FAA records are inadequate to locate a significant percentage of certificate holders. Many of the notices sent to aviation maintenance personnel were returned to the FAA and were marked as being undeliverable. Because the FAA may periodically need to disseminate critical safety information rapidly to all aviation maintenance personnel, it is extremely important that the FAA have current address information for all certificate holders.

The FAA contends that current efforts to increase the level of professionalism in the aviation maintenance industry and to ensure that the FAA can rapidly notify aviation maintenance personnel of important safety-related matters warrant including in the proposal a provision that would prohibit the holder of any certificate issued under this part from exercising the privileges of the certificate if its holder did not comply with current notification requirements upon a change of permanent address. The FAA contends that, by withdrawing certificate privileges from a person who fails to comply with this requirement, a holder of a certificate issued under this part will be more diligent in complying with the essential requirement of notifying the FAA of his or her current address.

Testing of AMT Applicants by Designated Aviation Maintenance Technician Schools

Under the provisions of current § 61.71(b), the FAA permits certain pilot schools certificated under part 141 to test pilot applicants on the aeronautical knowledge and skill required to obtain certificates issued under part 61 without further testing by an FAA or FAA-designated pilot examiner. The FAA proposes to enact similar provisions for the testing of aviation maintenance personnel.

The proposal would permit an individual who has passed all applicable knowledge tests in the prescribed period and who has applied for an AMT certificate within 90 days after graduation from certain aviation maintenance technician schools to be considered as meeting the specific experience and competency requirements for the certificate, without further testing. Only those aviation maintenance technician schools certificated under part 147 and specifically authorized by the Administrator to test applicants on the experience and competency requirements for the AMT certificate would be able to conduct the testing necessary to satisfy the requirements of the proposal.

The proposal would provide applicants for an AMT certificate with an additional means to complete the required testing for the certificate. It also would expedite the certification process for qualified AMT applicants and reduce testing costs for the applicant.

In its review of the certification requirements for aviation maintenance personnel, the FAA also considered permitting graduates of certain aviation maintenance schools approved by Transport Canada to use training received at those schools toward completion of the training requirements for the issuance of an AMT certificate. The FAA has not included this proposal in this notice; however, the FAA contends that such a proposal could be readily implemented after the conclusion of a Bilateral Aviation Safety Agreement (BASA) with Canada.

The FAA specifically solicits comments on including provisions in proposed part 66 that would permit graduates of certain aviation maintenance schools approved by Transport Canada to use training received at those schools toward completion of the training requirements for the issuance of an AMT certificate. Based on the comments received, the FAA may adopt such provisions in a final rule.

Removal of Gender-Specific Terms

In accordance with the FAA's policy of implementing gender-neutral regulations and maintaining conformity with other recently revised certification regulations that are now gender neutral and in view of the increased role of women in the aviation maintenance profession, the FAA proposes to eliminate all gender-specific references that apply to aviation maintenance personnel from proposed part 66. These changes are reflected in the proposed amendment; however, specific changes are not listed in the section-by-section analysis.

Editorial Changes

To promote consistency between this proposed rule and the terminology used in current regulations, the proposal requires a number of editorial changes. Such changes include, but are not limited to, the use of the term "airframe, aircraft engine, propeller, appliance, component, or part" in those instances where the term "related appliance or part" is used; inclusion of the terms "certificate," "rating," or "authorization" where one or more terms have been inadvertently omitted; and a more expansive use of the term "person." These changes are noted in the section-by-section analysis and do not affect the substantive provisions of the proposed rule unless specifically noted.

Section-by-Section Analysis

Part 65 Certification: Air Traffic Control Tower Operators, Aircraft Dispatchers, and Parachute Riggers

Under the proposal, the title of part 65 would be amended to reflect the removal of subpart D (Mechanics) and subpart E (Repairmen) from this part. The proposed title of part 65 would specifically list only those airmen whose certification would continue to be regulated by this part. The current title of part 65 would be changed from "Certification: Airmen Other Than Flight Crewmembers" to "Certification: Air-Traffic Control Tower Operators, Aircraft Dispatchers, and Parachute Riggers."

Section 65.1 Applicability

Section 65.1 currently states that part 65 is applicable to air traffic control tower operators, aircraft dispatchers, mechanics, repairmen, and parachute riggers. Under the proposal, the certification of all aviation maintenance personnel would be regulated by part 66. The proposal would revise § 65.1 by limiting the applicability of this part to air traffic control tower operators, aircraft dispatchers, and parachute riggers.

Section 65.3 [Reserved]

Section 65.3 prescribes the certification requirements for foreign mechanics. Because the proposal would place the certification of aviation maintenance personnel under part 66, this section would be removed from part 65 and reserved. An equivalent section, § 66.3, is proposed for inclusion in proposed part 66.

Section 65.11 Application and Issue

Current § 65.11(c) prohibits a person whose mechanic certificate is suspended to apply for any rating to be added to that certificate during the period of suspension, and current § 65.11(d)(2) prohibits a person whose repairman or mechanic certificate is revoked from applying for either kind of certificate for 1 year after the date of revocation, unless the order of revocation provides otherwise. Because the proposal would place the certification of all aviation maintenance personnel under proposed part 66, that portion of § 65.11(c) that refers to the suspension of mechanic certificates and § 65.11(d)(2) in its entirety would be

removed from part 65. The provisions of these paragraphs would be included in proposed § 66.5 (c) and (d).

Section 65.15 Duration of Certificates

Proposed § 65.15 would remove the reference to the repairman certificate found in current paragraph (a). As the provisions of current paragraph (b) apply only to the repairman certificate, this paragraph also would be removed. Its provisions would be found in proposed § 66.9. The remaining provisions of current paragraphs (a) and (c) would be retained in proposed paragraphs (a) and (b).

Part 65, Subpart D and Subpart E, §§ 65.71 Through 65.105 [Reserved]

The proposal would completely remove subpart D (Mechanics), consisting of §§ 65.71 through 65.95, and subpart E (Repairmen), consisting of §§ 65.101 through 65.105, from part 65 and would establish subpart B (Aviation Maintenance Technicians), subpart C (Aviation Maintenance Technicians (Transport)), subpart D (Inspection Authorizations), and subpart E (Aviation Repair Specialists) under part 66. The new subparts would be based on the subparts currently found in part 65.

Part 66 Certification: Aviation Maintenance Personnel

Under the proposal, a new part 66 prescribing the certification requirements solely for aviation maintenance personnel would be created. Part 66 would include subpart A (General), subpart B (Aviation Maintenance Technicians), subpart C (Aviation Maintenance Technicians (Transport)), subpart D (Inspection Authorizations), and subpart E (Aviation Repair Specialists). Proposed subpart A (General) would be based on part 65, subpart A, and modified to address regulatory concerns applicable to AMTs, AMT(T)s, and aviation repair specialists. Proposed subparts B, C, and D would be based on part 65, subpart D; and proposed subpart E would be based on part 65, subpart E. The proposal would establish the new part under the title "Certification: Aviation Maintenance Personnel."

Section 66.1 Applicability

Proposed § 66.1 sets forth the applicability of part 66. This proposed section is based on current § 65.1. This section would limit the applicability of this new part to AMTs, AMT(T)s, holders of inspection authorizations, and aviation repair specialists.

Section 66.3 Certification of Foreign Aviation Maintenance Personnel

Proposed § 66.3 prescribes the certification requirements for foreign AMTs and AMT(T)s. Because the proposal would not preclude foreign individuals from obtaining these proposed certificates, this section would refer to both subpart B and subpart C, the proposed subparts that list the certification requirements for these certificates. The proposed section is based on current § 65.3. There are no substantive differences between proposed § 66.3 and current § 65.3.

Section 66.5 Application and Issue

Proposed § 66.5 prescribes the application and issuance procedures for a certificate and ratings under this part. This proposed section is based on current § 65.11. There are no substantive differences between paragraphs (a) and (b) of the proposed section and current § 65.11, except for the inclusion of a reference to the inspection authorization and the replacement of the term "written test" with "knowledge test" in proposed paragraph (a). Proposed paragraphs (c) and (d) would differ from current § 65.11 (c) and (d) by the removal of references to air traffic control tower operators, aircraft dispatchers, and parachute riggers, and the inclusion of references to AMTs, AMT(T)s, and aviation repair specialists. Paragraph (c) of the proposed rule would include a reference to aviation repair specialists because the proposed ARS–I certificate, unlike the current repairman certificate, would be issued with ratings based on proficiency in designated specialty areas.

Section 66.7 Temporary Certificate

Proposed § 66.7 is based on current § 65.13 and refers to the issuance of temporary certificates. This section would be revised to reflect current practices by indicating that an applicant's qualifications, and not merely the application and supplementary documents submitted by the applicant, would be subject to review.

Section 66.9 Duration of Certificates

Proposed § 66.9 is based on current § 65.15 and establishes the duration of certificates issued under this part. Paragraph (a) of proposed § 66.9 would include the proposed AMT certificate, AMT(T) certificate, aviation repair specialist certificate issued on the basis of proficiency in a designated specialty area (ARS–I), and aviation repair specialist certificate issued to an experimental aircraft builder (ARS–III) among those certificates that are effective until surrendered, suspended, or revoked. The proposed rule corrects an earlier omission by including aviation repair specialist certificates issued to experimental aircraft builders (ARS–III) among those certificates that are effective until surrendered, suspended, or revoked. Proposed paragraph (b) does not change the intent of current § 65.15(b) and would state that an aviation repair specialist certificate issued on the basis of employment (ARS–II) remains effective until the holder is relieved from the duties for which the holder was employed and certificated. Proposed paragraph (c) retains the current requirement for a holder to return to the Administrator a certificate that has been suspended, revoked, or is no longer effective.

Section 66.11 Display of Certificate

Proposed § 66.11 is based on current §§ 65.89 and 65.105, which prescribe the display of mechanic and repairman certificates. The proposal would consolidate the certificate display requirements for all certificates under one section within part 66. There would be no substantive changes to current certificate display requirements.

Section 66.13 Change of Name: Replacement of Lost or Destroyed Certificate

Proposed § 66.13 is based on current § 65.16 and would revise current procedures by permitting an airman who has lost a certificate issued under part 66 to request a facsimile of the certificate from the FAA as confirmation of the certificate's original issuance. This proposed section also would allow any request to the FAA to be made by facsimile and would permit the FAA to send directly to the airman a telegram or facsimile that may be carried by the airman, for a period not to exceed 90 days, as proof of the original certificate's issuance.

Section 66.15 Change of Address

Proposed § 66.15 is based on current § 65.21 and would revise current requirements by prohibiting the holder of any certificate issued under this part from exercising the privileges of the certificate if the holder has not notified the FAA of a change in permanent mailing address within 30 days.

Section 66.17 Periodic Registration

Proposed § 66.17 would require that the holder of an AMT certificate or AMT(T) certificate notify the FAA of his or her current mailing address before the last day of the 12th calendar month after the effective date of the rule and

before the last day of each 48-calendar-month period thereafter.

The proposal would not require these certificate holders to comply with this requirement if the holder has, within the same 12- or 48-calendar-month period for which a notification was required, provided this information to the FAA through the issuance of a certificate, rating, inspection authorization, or airman medical certificate, or through compliance with proposed § 66.13 or § 66.15. Any certificate holder failing to comply with this requirement would be prohibited from exercising the privileges of the certificate until the required notification had been made.

Section 66.19 Applications, Certificates, Logbooks, Reports, and Records: Falsification, Reproduction, or Alternation; Section 66.21 Tests: General Procedure; Section 66.23 Knowledge Tests: Cheating or Other Unauthorized Conduct; Section 66.25 Retesting After Failure; Section 66.27 Offenses Involving Alcohol or Drugs; and Section 66.29 Refusal To Submit to a Drug or Alcohol Test

Proposed §§ 66.19, 66.21, 66.23, 66.25, 66.27, and 66.29 are based on current §§ 65.20, 65.17, 65.18, 65.19, 65.12, and 65.23, respectively. These sections refer to the falsification, reproduction, or alteration of documents; general test procedures; cheating or other unauthorized conduct on knowledge tests; retesting after failure; offenses involving alcohol or drugs; and the refusal to submit to a drug or alcohol test. The only substantive difference between the proposed sections for part 66 and current corresponding sections in part 65 is the inclusion of specific provisions indicating the applicability of these sections to holders of inspection authorizations and the replacement of the term "written test" with "knowledge test" in proposed §§ 66.23 and 66.25.

Section 66.31 Waivers: Policy and Procedures

Proposed § 66.31 would describe the policy and procedures that would govern the issuance of certificates and ratings in deviation from the airman certification rules set forth in proposed §§ 66.51(b), 66.57, 66.201(b), and 66.203(b). The proposed section would indicate that the Administrator may issue certificates and ratings in deviation from these sections if the Administrator finds that the holder can safely exercise the privileges of the certificate and rating. Requests for issuance of a certificate or rating in accordance with this section would be required to be submitted to the FAA National Headquarters, Flight Standards Service.

Part 66, Subpart B Aviation Maintenance Technicians

The structure of part 66, subpart B, is based on the current structure of part 65, subpart D. Under the proposed rule, the title of part 66, subpart B, would be "Aviation Maintenance Technicians."

Section 66.51 Eligibility Requirements: General

Proposed § 66.51 is based on the current § 65.71. The language of proposed paragraph (b) differs from current § 65.71 by not only requiring an applicant for an AMT certificate to read, write, speak, and understand the English language, as is currently required, but also by requiring the applicant to demonstrate this knowledge by reading and explaining appropriate maintenance publications and by writing defect and repair statements. The proposal also differs from the current section in that it would include a provision for the Administrator to place such limitations on an applicant's certificate as are necessary for the safe maintenance, preventive maintenance, or alteration of aircraft if the applicant is unable to meet any of these requirements because of medical reasons. The proposal also would eliminate the issuance of certificates to individuals who cannot meet these requirements and are employed solely outside the United States by a U.S. air carrier.

The proposal would retain current requirements to pass all required tests within 24 months and to comply with any additional eligibility requirements for any rating sought.

Section 66.53 Ratings

Proposed § 66.53 would establish that aircraft and aviation maintenance instructor ratings would be issued under subpart B.

Section 66.55 Aircraft Rating: Knowledge Requirements

Proposed § 66.55 would establish the knowledge requirements for the aircraft rating. This proposed section is based on the knowledge requirements for the mechanic certificate found in current § 65.75. The proposal would revise these current knowledge requirements by not only including the current requirement that the applicant be tested on the applicable provisions of parts 43 and 91 but by requiring the applicant to pass a knowledge test that includes material on all relevant provisions of this chapter, therefore, expanding the knowledge required of an applicant.

The proposal also would require the applicant to pass all knowledge tests (as opposed to each section) before applying for the oral and practical tests for the rating sought unless the applicant was enrolled in certain aviation maintenance technician schools.

Because of the increased use of computer-based testing, the proposal would state that a report of the knowledge test results will be made available to the applicant upon completion of the test. Current rules pertaining to the testing of mechanic certificate applicants require the FAA to send the applicant a report of the test.

Section 66.57 Aircraft Rating: Experience Requirements

Proposed § 66.57 would establish the necessary experience requirements for the issuance of an AMT certificate with an aircraft rating. The experience requirements for the AMT certificate with an aircraft rating would be similar to those found in current § 65.77 for the mechanic certificate with an airframe and powerplant rating.

The proposal would permit an applicant to present either an appropriate graduation certificate or a certificate of completion from a certificated aviation maintenance technician school to show compliance with the necessary experience requirements. For those applicants seeking to meet AMT experience requirements through practical experience, the proposal would change the current 30 months of experience required of applicants for a mechanic certificate with airframe and powerplant ratings to 5,000 hours for applicants for an AMT certificate with an aircraft rating. The approximate full-time equivalent of 30 months is 5,000 hours. Because separate airframe and powerplant ratings will not be issued under an AMT certificate, the 18-month experience requirement pertaining to applicants for a separate rating, which is found in current § 65.77(a), has not been included in the proposed section.

Section 66.59 Aircraft Rating: Competency Requirements

Proposed § 66.59 would establish the competency requirements for applicants attempting to obtain an AMT certificate with an aircraft rating under this part. This proposed section is based on current § 65.79. The proposal would establish a basic competency requirement for an AMT by requiring the applicant to demonstrate competence in performing tasks

appropriate to the rating sought. The proposal also would clarify the existing regulation to ensure that an applicant passed both an oral and a practical test appropriate to the rating sought.

Section 66.61 Certificated Aviation Maintenance Technician School Students

Proposed § 66.61 is based on current § 65.80 and would prescribe the specific requirements for testing students at aviation maintenance technician schools. Proposed paragraph (a) is based on the current section with no substantive differences. Proposed paragraph (b) would permit applicants who have successfully completed all applicable knowledge tests and who apply for an AMT certificate with an aircraft rating within 90 days after graduation from certain part 147 aviation maintenance technician schools (which have been specifically authorized by the Administrator to test the applicants on the applicable competency requirements) to be considered as meeting all applicable knowledge, experience, and competency requirements.

Section 66.63 Aircraft Rating: Privileges and Limitations

Proposed § 66.63, based on current §§ 65.81, 65.85, and 65.87 would define the privileges and limitations of an AMT certificate holder with an aircraft rating. Proposed paragraphs (a) and (b) are based on current § 65.81; however, the proposal would clarify and expand the manner in which an AMT may become qualified to supervise the maintenance, preventive maintenance, or alteration of any aircraft, or approve for return to service any aircraft, airframe, aircraft engine, propeller, appliance, component, or part thereof. In addition to those means specified in current § 65.81 for mechanics, the proposal would provide the holder of an AMT certificate and aircraft rating with an additional means to qualify for the exercise of these privileges. The holder of an AMT certificate would be permitted to exercise the privileges mentioned above if the AMT had received training on the tasks to be performed or had previously performed such work under the direct supervision of an appropriately rated certificate holder who also had received appropriate training on the tasks to be performed.

Additionally, the proposal would clarify the intent of current § 65.81 by permitting the holder of an AMT certificate with an aircraft rating to exercise the privileges of the certificate and rating by demonstrating the ability to perform the work to the satisfaction of the Administrator. The current regulation requires actual performance of the work.

Except for those restrictions imposed by proposed paragraph (d), an AMT with an aircraft rating would, under proposed paragraph (c), retain current privileges of a mechanic with an airframe and powerplant rating and would be permitted to perform the 100-hour inspection required by part 91.

Proposed paragraph (d)(1) would set forth limitations on the holder of an AMT certificate with an aircraft rating. These limitations currently are not applicable to the holder of a mechanic certificate with an airframe and powerplant rating. The holder of an AMT certificate with an aircraft rating would not be permitted to approve for return to service any aircraft certificated under part 25 or part 29, except after the performance of those tasks specified in paragraph (c) of appendix A to part 43 or after the performance of other tasks specified by the Administrator.

Proposed paragraph (d)(2) would prohibit an AMT with an aircraft rating from performing or supervising a major repair or major alteration of a propeller or any repair or alteration of instruments (other than a horizontal-card liquid-filled compass), unless the work is being performed for, and is under the direct supervision and control of, a repair station certificated under part 145 or an air carrier conducting operations under part 121 or part 135.

Proposed paragraph (d)(3) also would prohibit an AMT with an aircraft rating from approving for return to service any aircraft, airframe, aircraft engine, propeller, appliance, component, or part after completing a major repair or major alteration, or from approving for return to service any instrument other than a horizontal-card liquid-filled compass after completing any repair or alteration.

In paragraph (d)(4), the proposal would require that a certificated AMT understand current instructions for continued airworthiness and the maintenance instructions for the specific operation concerned to exercise the privileges of the certificate and rating. Current § 65.81 requires a mechanic to understand the more limited current instructions of the manufacturer and the maintenance manuals for the specific operation concerned.

Section 66.65 Aircraft Rating: Recent Experience Requirements

Proposed § 66.65 would prescribe the specific recent experience requirements for an AMT with an aircraft rating. This proposed section is based on current § 65.83. The proposal would permit the holder of an AMT certificate with an aircraft rating to satisfy proposed recent experience requirements by using those means currently available to the holder of a mechanic certificate to meet current recent experience requirements. The proposal also would permit the holder of an AMT certificate with an aircraft rating additional means to maintain the recent experience required to exercise the privileges of the certificate and rating. In addition to the means currently specified in § 65.83(a), the proposal would allow the AMT to meet the recent experience requirements to exercise the privileges of the certificate and rating if the person had served under the supervision of an AMT or AMT(T), provided aviation maintenance instruction under an aviation maintenance training program acceptable to the Administrator, or directly supervised other aviation maintenance instructors providing aviation maintenance instruction for a training program acceptable to the Administrator. The proposal also would allow the use of any combination of the proposed and current methods to maintain recent experience.

In addition to the proposed requirements set forth in proposed paragraph (a)(1), proposed paragraph (a)(2) would require the successful completion of recurrent training appropriate to the duties of an AMT if the individual desires to exercise the privileges of the certificate and rating for compensation or hire. This training may consist of an AMT refresher course, an inspection authorization refresher course, or any other course of instruction acceptable to the Administrator that is appropriate to the duties of an AMT. Additionally, an AMT could satisfy the proposed recurrent training requirement in the following manner: through participation in the required training program of a certificate holder with a maintenance and preventive maintenance training program required under § 121.375 or § 135.433 (as specified in proposed paragraph (a)(2)(ii)) or through participation in the training program of a U.S.-certificated repair station that performs work in accordance with § 145.2(a) or conducts a maintenance and preventive maintenance training program (as specified in proposed paragraph (a)(2)(iii)). An AMT also could satisfy the proposed recurrent training requirement by providing aviation maintenance instruction or by serving as the supervisor of persons providing aviation maintenance instruction.

Proposed paragraph (b) would not require all AMTs to complete the new recurrent training requirements. An AMT who, within the preceding 24 months, has successfully completed a requalification course acceptable to the Administrator, or been found competent by the Administrator to exercise the privileges of the certificate, would not be subject to the proposed training requirements.

Proposed paragraph (c) sets forth the limitations on exercising, for compensation or hire, the privileges of the AMT certificate with an aircraft rating. It would permit an AMT who has met the requirements of proposed paragraph (a)(1), but not proposed paragraph (a)(2) or (b), to exercise the privileges of the certificate and rating, but not for compensation or hire.

Section 66.67 Aviation Maintenance Instructor Rating: Additional Eligibility Requirements

Proposed § 66.67 would set forth the additional eligibility requirements for applicants seeking an aviation maintenance instructor rating. Proposed paragraph (a)(1) would require an applicant to possess a current and valid AMT certificate, with an aircraft rating, that has been in effect for a total of at least 3 years. Proposed paragraph (a)(2) would require an applicant to have been actively engaged in maintaining aircraft for at least the 2-year period before the date of application.

An applicant also would be required, in proposed paragraph (a)(3), to have passed a knowledge test on those subjects pertinent to the exercise of the privileges of the aviation maintenance instructor rating. In lieu of passing such a test within 24 months of application for the rating, an applicant who could present evidence of recognized instructional proficiency, as stated in the proposed rule, would not be required to pass the knowledge test for the rating.

Proposed paragraph (b) would recognize the proficiency of experienced, yet noncertificated, instructors. An applicant who, within 12 months after the effective date of the rule, could present evidence acceptable to the Administrator that he or she had served as an aviation maintenance instructor or as the supervisor of aviation maintenance instructors at an aviation maintenance technician school certificated under part 147 would not be required to pass a knowledge test on instructional proficiency.

Section 66.69 Aviation Maintenance Instructor Rating: Instructional Knowledge and Proficiency

Proposed § 66.69 would specifically list those subjects in which an applicant for an aviation maintenance instructor rating would be required to demonstrate satisfactory instructional knowledge and proficiency. This material is identical to that contained in the Fundamentals of Instruction knowledge test.

Section 66.71 Aviation Maintenance Instructor Rating: Privileges and Limitations

Proposed § 66.71 would set forth the general privileges and limitations of the AMT certificate with an aviation maintenance instructor rating.

Section 66.73 Aviation Maintenance Instructor Rating: Recent Experience Requirements

Proposed § 66.73 would prescribe the specific recent experience requirements for an AMT with an aviation maintenance instructor rating. An individual holding this certificate and rating would not be permitted to exercise the privileges of the certificate and rating unless, within the preceding 24 months, the holder had provided 300 hours of aviation maintenance instruction or had supervised other aviation maintenance instructors for a period of 300 hours. The holder also would meet the proposed recent experience requirements upon completion of an AMT refresher course (or other course of instruction acceptable to the Administrator) or if the Administrator had made a determination that the holder met the standards prescribed for the issuance of the certificate and rating.

Part 66, Subpart C Aviation Maintenance Technicians (Transport)

The structure of part 66, subpart C, is based on the current structure of part 65, subpart D. Under the proposed rule, the title of part 66, subpart C, would become "Aviation Maintenance Technicians (Transport)."

Section 66.101 Eligibility Requirements: General

Proposed § 66.101 sets for the eligibility requirements for the proposed AMT(T) certificate. It would require all applicants for the AMT(T) certificate to hold a current and valid AMT certificate and to comply with any additional requirements for any rating sought. Because an applicant for an AMT(T) certificate would be required to hold a current and valid AMT certificate, an applicant would be required to have complied with proposed § 66.51. Therefore, these requirements have not been repeated in the proposed section.

Section 66.103 Ratings

Proposed § 66.103 would establish aircraft and aviation maintenance instructor ratings issued under subpart C.

Section 66.105 Transition to New Certificates and Ratings

Proposed § 66.105 would establish the equivalency of the mechanic certificate with airframe and powerplant ratings and the proposed AMT(T) certificate with the aircraft rating. Therefore, the privileges and limitations of the proposed AMT(T) certificate with an aircraft rating would be identical to those of the current mechanic certificate with airframe and powerplant ratings. As the FAA would continue to recognize mechanic certificates with either an airframe rating or a powerplant rating, proposed paragraphs (b) and (c) would set forth approval for return-to-service limitations on the holders of these certificates, which are identical to those found in current part 65.

Section 66.107 Aircraft Rating: Additional Eligibility Requirements

Proposed § 66.107 would set forth the additional eligibility requirements for the issuance of an AMT(T) certificate with an aircraft rating. An applicant would be required to successfully complete: an AMT(T) training program administered by an approved training provider; an AMT(T) training program approved under part 147; or a training program approved under part 121, subpart L, or part 135, subpart J. Training programs provided by a certificate holder would be required to meet the training program requirements specified in paragraph (d) of appendix A to proposed part 66.

Section 66.109 Aircraft Rating: Privileges and Limitations

Proposed § 66.109 is based on current §§ 65.81, 65.85, and 65.87, and would define the privileges and limitations of an AMT(T) certificate with an aircraft rating. Proposed § 66.109 is structurally similar to proposed § 66.63, which sets forth the privileges and limitations of the AMT certificate with an aircraft rating.

The holder of an AMT(T) certificate with an aircraft rating would possess all of the privileges provided to the holder of the AMT certificate with an aircraft rating, as set forth in proposed § 66.63. Proposed § 66.109(d), however, would not include the limitation placed on the holder of an AMT certificate with an aircraft rating found in proposed § 66.63

that precludes the holder from approving for return to service any aircraft certificated under part 25 or part 29.

Section 66.111 Aircraft Rating: Recent Experience Requirements

Proposed § 66.111 would prescribe the specific recent experience requirements for AMT(T)s with an aircraft rating. This proposed section is based on current § 65.83 and is structurally similar to proposed § 66.65. It would differ from proposed § 66.65 in that the maintenance, preventive maintenance, or alterations, which the AMT(T) with an aircraft rating would be required to have performed, supervised, or provided instruction in for at least 6 months within the preceding 24 months, would be required to be on an aircraft certificated under part 25 or part 29, or on any airframe, aircraft engine, propeller, appliance, component, or part thereof. The proposed recurrent training requirements would be identical to those proposed for the AMT. It also would permit the holder of an AMT(T) certificate who had not satisfied the recent experience requirements for an AMT(T) certificate, but had satisfied the recent experience requirements for an AMT certificate, to exercise the privileges of the AMT certificate.

Section 66.113 Aviation Maintenance Instructor Rating: Additional Eligibility Requirements

Proposed § 66.113 would set forth the eligibility requirements for applicants with an AMT(T) certificate and aircraft rating who are seeking an aviation maintenance instructor rating. The requirements of proposed § 66.113 would be similar to those established for an applicant with an AMT certificate and aircraft rating who is seeking an aviation maintenance instructor rating as set forth in proposed § 66.67.

The proposed section would differ from proposed § 66.67 in that it also would permit a person possessing an AMT certificate with an aviation maintenance instructor rating, who meets the requirements for the issuance of an AMT(T) certificate, to be issued an AMT(T) certificate with an aviation maintenance instructor rating, upon application.

Section 66.115 Aviation Maintenance Instructor Rating: Privileges and Limitations

Proposed § 66.115 would set forth the general privileges and limitations of the AMT(T) certificate with an aviation maintenance instructor rating.

Section 66.117 Aviation Maintenance Instructor Rating: Recent Experience Requirements

Proposed § 66.117 would prescribe the specific recent experience requirements for AMT(T)s with an aviation maintenance instructor rating. The recent experience requirements set forth for an AMT(T) with an aviation maintenance instructor rating would be identical to those set forth in proposed § 66.73 for an AMT with an aviation maintenance instructor rating. Because instructional skill is independent of the type of items on which an AMT(T) provides instruction, the aviation maintenance instruction that the individual would be required to provide to maintain recent experience, would not be required to pertain to aircraft certificated under part 25 or part 29, or to the airframes, aircraft engines, propellers, appliances, components, or parts thereof.

Section 66.119 Aviation Maintenance Technician (Transport) Training Providers

Proposed § 66.119 would set forth the requirements for those persons seeking approval as AMT(T) training providers. An applicant for approval as a training provider would be required to submit a written request for approval to the Administrator and to comply with appendix A to proposed part 66.

Proposed paragraph (b) would only require a certificate holder operating under part 121 or part 135, an aviation maintenance technician school certificated under part 147, or a certificated repair station operating pursuant to § 145.2(a) to request approval and show that its training program meets the requirements of paragraph (d) of appendix A to proposed part 66.

Part 66, Subpart D Inspection Authorizations

Proposed part 66, subpart D, would consolidate into a single subpart those portions of current part 65 that pertain to the issuance of inspection authorizations. Under the proposed rule, the title of part 66, subpart D, would become "Inspection Authorizations."

Section 66.151 Eligibility Requirements: General

Proposed § 66.151 is based on current § 65.91 and would set forth the general eligibility requirements for applicants for an inspection authorization. Proposed paragraph (a) would require an applicant to meet the requirements of current § 65.91(c) and would establish an additional requirement for applicants to have attended and successfully completed an inspection authorization course, acceptable to the Administrator, of not less than 8 hours of instruction during the 12-month period preceding the application. Attendance at such a course would ensure standardization of inspection procedures and a more uniform interpretation of regulatory and advisory material by holders of the inspection authorization. The proposal would permit the holder of an AMT certificate or an AMT(T) certificate to obtain an inspection authorization. It would also require the applicant to have passed a knowledge test on his or her ability to inspect according to safety standards for approving aircraft for return to service after all repairs and alterations.

Proposed paragraph (b) would set forth the requirements for an applicant seeking to remove the limitation imposed by proposed § 66.157(b). Proposed paragraph (b) would require an applicant seeking to inspect and approve for return to service any aircraft certificated under part 25 or part 29 (except those maintained in accordance with a continuous airworthiness maintenance program approved under part 121) to possess an AMT(T) certificate and to have been actively engaged, for at least the 2-year period before application, in the maintenance, preventive maintenance, or alteration of aircraft certificated under part 25 or part 29, or of any airframe, aircraft engine, propeller, appliance, component, or part thereof.

Proposed paragraph (c) would retain the current prohibition against applying for a retest within 90 days after a previous testing failure.

Section 66.153 Duration of Authorization

Proposed § 66.153 would prescribe the duration of an inspection authorization. This proposed section is based on current § 65.92, with two substantive differences. Under the proposal, the expiration date of the inspection authorization would be extended to the last day of the 24th month after its issuance. Under the current regulation, the inspection authorization expires on March 31 of each year. Additionally, the proposal would state that an inspection authorization would no longer be effective if its holder does not possess a current and valid AMT or AMT(T) certificate.

Section 66.155 Renewal of Authorization

Proposed § 66.155 would prescribe the renewal procedures for an

inspection authorization and is based on current § 65.93. The proposed section would extend the inspection authorization renewal requirement to every 2 years so that it would correspond to the extension of the duration of the inspection authorization, as proposed in § 66.153. Applications for renewal would be required to be presented to the appropriate FAA office within 90 days before the date of an inspection authorization's expiration.

The proposal would retain current provisions specifying the renewal requirements for an inspection authorization and also would permit the holder of an inspection authorization to use a combination of annual inspections, inspections of major repairs or major alterations, and progressive inspections to satisfy renewal requirements. To facilitate the combination of these inspections, the proposal would change the currently specified 90-day period to a 3-month period.

Under the current regulation, the holder of an inspection authorization may renew the authorization by attending and successfully completing a refresher course, acceptable to the Administrator, of not less than 8 hours, during the 12-month period preceding the application for renewal. As the proposed rule would extend the duration of the inspection authorization from 12 months to 24 months, the amount of time required for the holder of an inspection authorization to renew an authorization by using this method, in lieu of other performance requirements, would be proportionally increased to 16 hours. The proposal would specify that this training could be accomplished through attendance at an inspection authorization refresher course or a series of courses, acceptable to the Administrator, during the expanded renewal period. The proposal recognizes recent developments in instructional techniques and, through the acceptance of a series of courses acceptable to the Administrator, would permit instructional methods that may differ from the standard classroom or lecture format.

Section 66.157 Privileges and Limitations

Proposed § 66.157 would prescribe the privileges and limitations of an inspection authorization. The privileges of the holder of an AMT(T) certificate with an inspection authorization are based on current § 65.95, with no substantive differences. The privileges of the holder of an AMT certificate with an inspection authorization are based on current § 65.95, with certain distinctions that reflect the privileges and limitations of the AMT certificate. The holder of an AMT certificate with an inspection authorization would possess those privileges specified in current § 65.95 except that the holder would not be permitted to inspect and approve aircraft certificated under part 25 or part 29 for return to service after completion of a major repair or a major alteration. The holder of an AMT certificate with an inspection authorization also would not be permitted to perform an annual inspection, or perform or supervise a progressive inspection, according to §§ 43.13 and 43.15, on aircraft that have been certificated under part 25 or part 29.

Part 66, Subpart E Aviation Repair Specialists

The structure of part 66, subpart E, is based on the current structure of part 65, subpart D. Under the proposed rule, the title of part 66, subpart E, would become "Aviation Repair Specialists."

Section 66.201 Aviation Repair Specialist Certificates Issued on the Basis of Proficiency in a Designated Specialty Area (ARS–I): Eligibility

Proposed § 66.201 would set forth the general eligibility requirements for an applicant seeking an aviation repair specialist certificate issued on the basis of proficiency in a designated specialty area (ARS–I). An applicant for this new certificate would be required to be at least 18 years of age and demonstrate the ability to read, write, speak, and understand the English language by reading and explaining appropriate maintenance publications, and by writing defect and repair statements. The Administrator, however, could place such limitations on an applicant's certificate as are necessary for the safe maintenance, preventive maintenance, or alteration of aircraft if the applicant is unable to meet any of these requirements because of medical reasons.

The applicant also would be required to present either an appropriate graduation certificate, a certificate of completion, or other documentary evidence acceptable to the Administrator, that demonstrates the satisfactory completion of an acceptable aviation repair specialist training course or program for a rating in a specialty area designated by the Administrator. Before 12 months after the effective date of the rule, evidence acceptable to the Administrator of the ability to perform those tasks appropriate to the certificate and rating in the designated specialty area sought, also could be presented.

Section 66.203 Aviation Repair Specialist Certificates Issued on the Basis of Employment (ARS–II): Eligibility

Proposed § 66.203 is based on current § 65.101 and would prescribe the general eligibility requirements for the aviation repair specialist certificate issued on the basis of employment (ARS–II). The language of proposed paragraph (b) differs from current § 65.101 in that it would not only require an applicant for an aviation repair specialist certificate to read, write, speak, and understand the English language but also would require the applicant to demonstrate this knowledge by reading and explaining appropriate maintenance publications and by writing defect and repair statements. The Administrator, however, could place such limitations on an applicant's certificate as are necessary for the safe maintenance, preventive maintenance, or alteration of aircraft if the applicant is unable to meet any of these requirements because of medical reasons. The proposal also differs from current § 65.101 in that it would eliminate the issuance of certificates to individuals who cannot read, write, speak, or understand the English language and who are employed solely outside the United States by a U.S.-certificated repair station, a U.S.-certificated commercial operator, or a U.S.-certificated air carrier. This change corresponds with proposed §§ 66.51 and 66.101, which eliminate the issuance of AMT and AMT(T) certificates under similar circumstances.

Proposed paragraph (c) differs from the current section in that it would provide a more comprehensive listing of items on which an applicant could be qualified to perform maintenance (aircraft, airframes, aircraft engines, propellers, appliances, components, and parts thereof). Proposed paragraph (d) would change the current reference in § 65.101(a)(3) from "its maintenance manuals" to "its certificate holder's manual".

Proposed paragraph (f)(1) would specify the current 18-month practical experience requirement in hours instead of months as set forth in current § 65.101(a)(5)(i). The 3,000 hours of experience specified in the proposal are approximately equal to the current 18-month experience requirement.

Section 66.205 Aviation Repair Specialist Certificates Issued to Experimental Aircraft Builders (ARS–III): Eligibility

Proposed § 66.205 is based on current § 65.104(a). The proposed section would

change the term "repairman certificate-experimental aircraft builder" to "aviation repair specialist certificate issued to an experimental aircraft builder (ARS–III)." There are no substantive differences between the proposed section and current § 65.104(a).

Section 66.207 Transition to New Certificates

Proposed § 66.207 establishes the equivalency of the proposed ARS–II certificate with the repairman certificate specified in current § 65.101, and the equivalency of the proposed ARS–III certificate with the repairman certificate (experimental aircraft builder) specified in current § 65.104.

Section 66.209 Aviation Repair Specialist Certificates Issued on the Basis of Proficiency in a Designated Area (ARS–I): Privileges and Limitations

Proposed § 66.209 would set forth the general privileges and limitations of the aviation repair specialist certificate issued on the basis of proficiency in a designated specialty area (ARS–I). The holder of the certificate would be permitted to perform or supervise the maintenance, preventive maintenance, or alteration of aircraft, airframes, aircraft engines, propellers, appliances, components, and parts thereof appropriate to the designated specialty area for which the aviation repair specialist is certificated but only in connection with employment by a certificate holder operating under part 121, 135, or 145.

Proposed paragraph (b) would prohibit the holder from performing or supervising duties unless the individual understands the current instructions of the certificate holder employing the aviation repair specialist and the instructions for continued airworthiness that relate to the specific operations concerned.

Section 66.211 Aviation Repair Specialist Certificates Issued on the Basis of Employment (ARS–II): Privileges and Limitations

Proposed § 66.211 is based on current § 65.103 and would set forth the general privileges and limitations of the aviation repair specialist certificate issued on the basis of employment (ARS–II). Proposed paragraph (a) differs from the current section in that it would provide a more comprehensive listing of items on which an applicant could be qualified to perform work (aircraft, airframes, aircraft engines, propellers, appliances, components, and parts thereof). Proposed paragraph (b) is equivalent to current § 65.103(b).

Section 66.213 Aviation Repair Specialist Certificates Issued to Experimental Aircraft Builders (ARS–III): Privileges and Limitations

Proposed § 66.213 is based on current § 65.104(b), with no substantive changes.

Section 66.215 Aviation Repair Specialist Certificates Issued on the Basis of Proficiency in a Designated Specialty Area (ARS–I): Recent Experience Requirements

Proposed § 66.215 would set forth recent experience requirements for holders of aviation repair specialist certificates issued on the basis of proficiency in a designated specialty area (ARS–I). The holder would not be permitted to exercise the privileges of the certificate and rating unless the holder meets the current qualification and proficiency requirements for the issuance of the certificate and rating in the designated specialty area.

Part 66, Appendix A+Aviation Maintenance Technician (Transport) Training Program Curriculum Requirements

Proposed appendix A to part 66 would set forth the training program requirements for the AMT(T) curriculum. It would set forth the minimum requirements for the form and content of the training program outline and would establish minimum training program requirements. It also would permit the provision of training in additional subject areas not specified in the appendix and would establish procedures for the revision of an approved training provider's training program. The proposal also would describe the facilities, equipment, material, and instructor requirements necessary to conduct an AMT(T) training program.

The proposal would describe those student records that would be required to be retained by the training provider and the amount of credit the training provider could provide to a student for previous training. It also would require an approved training provider to furnish each student with a statement of graduation upon completion of the curriculum and, upon request, a record of training for any portion of the training program that has been completed.

The proposed appendix would set forth notification requirements for training providers in the event of a change of ownership, name, or location. It also would establish standards for the conduct of instruction provided by contract or agreement. In addition, the proposal would set forth specific periods for the duration of a training provider's approval and establish criteria for cancellation and renewal of the approval.

Section 147.23 Instructor Requirements

The proposal would amend current § 147.23 to require that an applicant for an aviation maintenance technician school certificate and rating(s) provide the number of instructors who hold appropriate AMT or AMT(T) certificates with aviation maintenance instructor ratings, that the Administrator determines is necessary to provide adequate supervision of the students. Twelve months after the effective date of the rule, at least 1 AMT with an aviation maintenance instructor rating, or 1 AMT(T) with an aviation maintenance instructor rating, would be required for every 25 students in each shop class.

Section 147.36 Maintenance Instructor Requirements

The proposal would amend current § 147.36 to require that each aviation maintenance technician school, after certification or addition of a rating, provide the number of instructors who hold appropriate AMT certificates with aviation maintenance instructor ratings or AMT(T) certificates with aviation maintenance instructor ratings, that the Administrator determines is necessary to provide adequate instruction for the students. Twelve months after the effective date of the rule, at least 1 AMT with an aviation maintenance instructor rating, or 1 AMT(T) with an aviation maintenance instructor rating, would be required for every 25 students in each shop class.

Paperwork Reduction Act

Proposed § 66.17 contains information collection requirements that are not contained in the current rule. As required by the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)), the FAA has submitted a copy of this proposed section to the Office of Management and Budget (OMB) for its review.

The FAA needs the information to be collected to determine the number of active AMT and AMT(T) certificate holders and to obtain current address information from these personnel so that safety-related data can be quickly distributed to these personnel when necessary. The FAA estimates that the additional burden of collecting this information during the first year of the proposed rule is 20,000 hours. One year after the effective date of the proposed

rule, this information would be updated by holders of AMT and AMT(T) certificates once over a 48-month period. The estimated burden of collecting this information would be reduced to 5,000 hours annually.

The FAA estimates that this proposal will affect 120,000 certificate holders during the first year of the proposal and 30,000 certificate holders annually afterward.

Organizations and individuals desiring to submit comments on the information collection requirement should direct them to the Office of Information and Regulatory Affairs, OMB, Room 1235, New Executive Office Building, Washington, DC 20503; Attention: Desk Officer for Federal Aviation Administration. These comments should reflect whether the proposed collection is necessary; whether the agency's estimate of the burden is accurate; how the quality, utility, and clarity of the information to be collected can be enhanced; and how the burden of the collection can be minimized. A copy of the comments should be submitted to the FAA Rules Docket.

International Civil Aviation Organization and Joint Aviation Regulations

In keeping with U.S. obligations under the Convention on International Civil Aviation (ICAO), it is FAA policy to comply with ICAO Standards and Recommended Practices to the maximum extent practicable. The FAA is not aware of any differences that this proposal would present if adopted. Any differences that may be presented in comments to this proposal, however, will be taken into consideration.

Regulatory Evaluation Summary

Cost-Benefit Analysis

This section summarizes the full regulatory evaluation prepared by the FAA that provides more detailed estimates of the economic consequences of this regulatory action. This summary and the full evaluation quantify, to the extent practicable, estimated costs to the private sector, consumers, Federal, State and local governments, as well as anticipated benefits. The evaluation was conducted in accordance with Executive Order 12866, which directs that each Federal agency can propose or adopt a regulation only upon a reasoned determination that the benefits of the intended regulation justify the costs. This document also includes an initial regulatory flexibility determination, required by the Regulatory Flexibility Act of 1980, and an international trade impact assessment, required by the Office of Management and Budget.

This document is considered a "non-significant regulatory action" under Executive Order 12866 and, therefore, has not been reviewed by the Office of Management and Budget. This document is also considered non-significant under the regulatory policies and procedures of the Department of Transportation (44 FR 11034; February 2, 1979).

Costs

This proposed rule would revise the regulations that prescribe the certification and training requirements for mechanics and repairmen. Current regulations prescribing these certification requirements do not reflect the extensive differences in the maintenance skills required of currently certificated personnel, the significant technological advances that have occurred in the aviation industry, and the enhancements in training and instructional methods, that have affected all aviation maintenance personnel. The proposed rule would consolidate and clarify for aviation maintenance personnel all certification, training, experience, and currency requirements in a newly established 14 CFR part 66. This rulemaking would create additional certificates and ratings, and would modify the privileges and limitations of current certificates to respond more closely to the current responsibilities of aviation maintenance personnel. The proposed rule also would enhance the technical capabilities of, and increase the level of professionalism among, aviation maintenance personnel by establishing new training requirements.

The total quantifiable cost in second quarter 1996 dollars was estimated at between $219 million and $404 million over ten years (between $153.8 million and $283.8 million discounted). The cost range is a function of the estimated range of affected mechanics. The total quantifiable costs to all affected mechanics for obtaining an aviation maintenance technician (transport) (AMT(T)) certificate were estimated at between $146 million and $293 million over ten years (between $102.5 and $207.8 million discounted at 7 percent). The cost of the provision relating to recurrent training would range between $73 million and $111 million over ten years (between $51.3 million and $78.0 million, discounted).

Cost Savings

There are a number of potential sources of cost savings in the proposal. Improved training is expected to increase productivity between about $238 million and $595 million (between $167.2 million and $417.9 million, discounted over ten years). Elimination of course redundancy in the A & P curriculum could provide estimated cost savings between $166 million to $222 million over ten years (between $116.6 million and $155.9 million, discounted). Other changes could add approximately $18.1 million in cost savings over ten years ($12.7 million, discounted). The total potential cost savings would therefore range between $422.1 million and $817.0 million total over ten years (between $296.4 million and $573.8 million, discounted).

Based upon the low compliance cost coupled with the potential cost savings, the FAA concludes that the proposed rule is cost beneficial.

Initial Regulatory Flexibility Determination

The Regulatory Flexibility Act of 1980 (RFA) (Public Law 96–354; September 19, 1980) was enacted by Congress to ensure that small entities are not unnecessarily and disproportionately burdened by government regulations. The RFA requires agencies to review rules that may have "a significant cost impact on a substantial number of small entities."

All of the major changes to the rules discussed in this NPRM would affect mechanics and repairmen, who are individuals rather than business entities or government entities. The revisions that impact maintenance schools would not exceed the cost-threshold level, as found in FAA Order 2100.14A, "Regulatory Flexibility Criteria and Guidance" (September 1986). Therefore, the FAA has determined that the proposed revisions would not have a significant economic impact on a substantial number of small entities.

International Trade Impact

The proposed rule would not affect international trade since the mechanics affected would not be employed by firms whose operations are of an international scale.

Unfunded Mandates Reform Act Assessment

This proposed rule does not contain any Federal intergovernmental or private sector mandate. Therefore, the requirements of Title II of the Unfunded Mandates Reform Act of 1995 do not apply.

Federalism Implications

The regulations proposed herein will not have substantial direct effects on the States, on the relationship between the

national government and the States, or on the distribution of power and responsibilities among various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this proposal would not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

Cross-Reference

To identify the location in proposed part 66 where present regulations (or portions thereof) pertaining to mechanics and repairmen would be found, the following cross-reference list is provided. (Current §§ 65.1 through 65.23, except for § 65.3, would not be deleted from part 65 as these sections would still pertain to those airmen who would continue to be regulated by that part.)

Old	New
65.1	66.1
65.3	66.3
65.11	66.5
65.12	66.27
65.13	66.7
65.15	66.9
65.16	66.13
65.17	66.21
65.18	66.23
65.19	66.25
65.20	66.19
65.21	66.15
65.23	66.29
65.71	66.51 and 66.101
65.73	66.53 and 66.103
65.75	66.55
65.77	66.57
65.79	66.59
65.80	66.61
65.81	66.63 and 66.109
65.83	66.65 and 66.111
65.85	66.63 and 66.109
65.87	66.63 and 66.109
65.89	66.11
65.91	66.151
65.92	66.153
65.93	66.155
65.95	66.157
65.101	66.203
65.103	66.211
65.104	66.205 and 66.213
65.105	66.11

The following list shows where the proposals contained in this document can be found in current part 65:

New	Old
66.1	65.1
66.3	65.3
66.5	65.11
66.7	65.13
66.9	65.15
66.11	65.89 and 65.105
66.13	65.16
66.15	65.21
66.17	New
66.19	65.20
66.21	65.17
66.23	65.18
66.25	65.19
66.27	65.12
66.29	65.23
66.31	New
66.51	65.71
66.53	65.73
66.55	65.75
66.57	65.77
66.59	65.79
66.61	65.80
66.63	65.81, 65.85, and 65.87
66.65	65.83
66.67	New
66.69	New
66.71	New
66.73	New
66.101	65.71
66.103	65.73
66.105	New
66.107	New
66.109	65.81, 65.85, and 65.87
66.111	65.83
66.113	New
66.115	New
66.117	New
66.119	New
66.151	65.91
66.153	65.92
66.155	65.93
66.157	65.95
66.201	New
66.203	65.101
66.205	65.104
66.207	New
66.209	New
66.211	65.103
66.213	65.104
66.215	New

List of Subjects

14 CFR Part 65

Air traffic controllers, Aircraft, Airmen, Airports, Alcohol abuse, Drug abuse, Reporting and recordkeeping requirements.

14 CFR Part 66

Air safety, Air transportation, Aircraft, Airmen, Alcohol abuse, Aviation safety, Drug abuse, Reporting and recordkeeping requirements.

14 CFR Part 147

Aircraft, Airmen, Educational facilities, Reporting and recordkeeping requirements, Schools.

The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Chapter I of 14 CFR as follows:

PART 65—CERTIFICATION: AIR TRAFFIC CONTROL TOWER OPERATORS, AIRCRAFT DISPATCHERS, AND PARACHUTE RIGGERS

1. The heading for part 65 is revised to read as set forth above.

2. The authority citation for part 65 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701–44703, 44707, 44709–44711, 45102–45103, 45301–45302.

§ 65.1 [Amended]

3. Section 65.1 is amended by removing paragraphs (c) and (d) and redesignating paragraph (e) as paragraph (c).

§ 65.3 [Removed and Reserved]

4. Section 65.3 is removed and reserved.

5. Section 65.11 is amended by revising paragraphs (c) and (d) to read as follows:

§ 65.11 Application and issue.

* * * * *

(c) Unless authorized by the Administrator, a person whose air traffic control tower operator certificate or parachute rigger certificate is suspended may not apply for any rating to be added to that certificate during the period of suspension.

(d) Unless the order of revocation provides otherwise, a person whose air traffic control tower operator, aircraft dispatcher, or parachute rigger certificate is revoked may not apply for the same kind of certificate for 1 year after the date of revocation.

6. Section 65.15 is revised to read as follows:

§ 65.15 Duration of certificates.

(a) A certificate or rating issued under this part is effective until it is surrendered, suspended, or revoked.

(b) The holder of a certificate issued under this part that is suspended, revoked, or is no longer effective, shall return that certificate to the Administrator.

Subpart D [Removed and Reserved]

7. Part 65, subpart D, consisting of §§ 65.71 through 65.95, is removed and reserved.

Subpart E [Removed and Reserved]

8. Part 65, subpart E, consisting of §§ 65.101 through 65.105, is removed and reserved.

9. Part 66 is added to read as follows:

PART 66—CERTIFICATION: AVIATION MAINTENANCE PERSONNEL

Subpart A—General

Subpart B—Aviation Maintenance Technicians

Subpart C—Aviation Maintenance Technicians (Transport)

Subpart D—Inspection Authorizations

Subpart E—Aviation Repair Specialists

Authority: 49 U.S.C. 106(g), 40113, 44701–44703, 44707, 44709–44711, 45102–45103, 45301–45302.

Subpart A—General

§ 66.1 Applicability.

(a) This part prescribes the requirements for issuing the certificates listed in paragraph (b) of this section and any associated rating or inspection authorization and the general operating rules for holders of those certificates, ratings, and inspection authorizations.

(b) The following certificates are issued under this part:

(1) Aviation maintenance technician.

(2) Aviation maintenance technician (transport).

(3) Aviation repair specialist.

§ 66.3 Certification of foreign aviation maintenance personnel.

A person who is neither a U.S. citizen nor a resident alien is issued a certificate under subpart B or C of this part, outside the United States, only when the Administrator finds that the certificate is needed for the operation or continued airworthiness of a U.S.-registered civil aircraft.

§ 66.5 Application and issue.

(a) Application for a certificate, rating, or inspection authorization under this part must be made on a form and in a manner prescribed by the Administrator. Each person who is neither a U.S. citizen nor a resident alien and who applies for a knowledge or practical test to be administered outside the United States or for any certificate, rating, or inspection authorization issued under this part must show evidence that the fee prescribed in appendix A to part 187 of this chapter has been paid.

(b) An applicant who meets the requirements of this part is entitled to an appropriate certificate, rating, or inspection authorization.

(c) Unless authorized by the Administrator, a person whose aviation maintenance technician certificate, aviation maintenance technician (transport) certificate, or aviation repair specialist certificate is suspended may not apply for any rating to be added to that certificate during the period of suspension.

(d) Unless the order of revocation provides otherwise, a person whose aviation maintenance technician certificate, aviation maintenance technician (transport) certificate, or aviation repair specialist certificate is revoked may not apply for any of these certificates for 1 year after the date of revocation.

§ 66.7 Temporary certificate.

A certificate or rating effective for a period of not more than 120 days may be issued to a qualified applicant, pending review of the applicant's qualifications and the issuance by the Administrator of the certificate or rating for which the application was made.

§ 66.9 Duration of certificates.

(a) An aviation maintenance technician certificate, an aviation maintenance technician (transport) certificate, an aviation repair specialist certificate issued on the basis of proficiency in a designated specialty area (ARS–I), an aviation repair specialist certificate issued to an experimental aircraft builder (ARS–III), or any rating issued under this part is effective until it is surrendered, suspended, or revoked.

(b) Unless it is sooner surrendered, suspended, or revoked, an aviation repair specialist certificate issued on the basis of employment (ARS–II) is effective until the holder of that certificate is relieved from the duties for which the holder was employed and certificated.

(c) The holder of a certificate issued under this part that is suspended, revoked, or no longer effective, shall return that certificate to the Administrator.

§ 66.11 Display of certificate.

Each person who holds an aviation maintenance technician certificate, an aviation maintenance technician (transport) certificate, or an aviation repair specialist certificate shall keep it within the immediate area where the person normally exercises the privileges of the certificate and shall present it for inspection upon the request of the Administrator or an authorized representative of the National Transportation Safety Board, or of any Federal, State, or local law enforcement officer.

§ 66.13 Change of name: Replacement of lost or destroyed certificate.

(a) An application for a change of name on a certificate issued under this part must be accompanied by the applicant's current certificate and the marriage license, court order, or other document verifying the change. The documents are returned to the applicant after inspection.

(b) An application for replacement of a lost or destroyed certificate is made by letter to the Department of Transportation, Federal Aviation Administration, Airman Certification Branch, Post Office Box 25082, Oklahoma City, Oklahoma 73125. The letter must—

(1) Contain the name in which the certificate was issued, the permanent mailing address (including ZIP Code), Social Security Number (if any), and date and place of birth of the certificate holder, and any available information regarding the grade, number, and date of issue of the certificate and the ratings on it; and

(2) Be accompanied by a check or money order for $2, payable to the Federal Aviation Administration.

(c) A person whose certificate issued under this part has been lost may obtain a telegram or facsimile from the Federal Aviation Administration confirming that it was issued. The telegram or facsimile may be carried as a certificate for a period not to exceed 90 days, pending the receipt of a duplicate certificate under paragraph (b) of this section, unless the person has been notified that the certificate has been suspended or revoked. The request for such a telegram or facsimile may be made by prepaid telegram or facsimile, stating the date on which a duplicate certificate was requested, or including the request for a duplicate and a money order for the appropriate amount. The request for a telegraphic or facsimile certificate should be sent to the office prescribed in paragraph (b) of this section.

§ 66.15 Change of address.

The holder of a certificate issued under this part who has made a change in permanent mailing address may not, after 30 days from that date, exercise the privileges of the certificate unless the holder has notified, in writing, the Department of Transportation, Federal Aviation Administration, Airman Certification Branch, Post Office Box 25082, Oklahoma City, Oklahoma 73125, of the new address.

§ 66.17 Periodic registration.

(a) Except as provided in paragraph (b) of this section, the holder of an aviation maintenance technician certificate or an aviation maintenance technician (transport) certificate shall, before the last day of the 12th calendar month after [date 12 months after the effective date of the final rule], and before the last day of each 48-calendar-month period thereafter, notify, in a form and manner prescribed by the Administrator, the Department of Transportation, Federal Aviation Administration, Airman Certification Branch, Post Office Box 25082, Oklahoma City, Oklahoma 73125, of his or her current mailing address.

(b) The holder of an aviation maintenance technician certificate or an aviation maintenance technician (transport) certificate need not comply with the notification provisions of paragraph (a) of this section if the holder has, within the same 12- or 48-calendar-month period for which a notification was required in paragraph (a) of this section—

(1) Been issued a certificate, rating, or inspection authorization under the provisions of this part;

(2) Been issued an airman medical certificate under the provisions of part 67 of this chapter; or

(3) Notified the Department of Transportation, Federal Aviation Administration, Airman Certification Branch, Post Office Box 25082, Oklahoma City, Oklahoma 73125, under the provisions of § 66.13 or § 66.15.

(c) The holder of an aviation maintenance technician certificate or an aviation maintenance technician (transport) certificate issued under this part, who has not complied with the requirements of this section may not exercise the privileges of the certificate until the notification required by this section has been made.

§ 66.19 Applications, certificates, logbooks, reports, and records: Falsification, reproduction, or alteration.

(a) No person may make or cause to be made—

(1) Any fraudulent or intentionally false statement on any application for a certificate, rating, or inspection authorization under this part;

(2) Any fraudulent or intentionally false entry in any logbook, record, or report that is required to be kept, made, or used to show compliance with any requirement for any certificate, rating, or inspection authorization under this part;

(3) Any reproduction, for fraudulent purpose, of any certificate, rating, or inspection authorization under this part; or

(4) Any alteration of any certificate, rating, or inspection authorization under this part.

(b) The commission by any person of an act prohibited under paragraph (a) of this section is a basis for suspending or revoking any airman certificate, rating, or inspection authorization held by that person.

§ 66.21 Tests: General procedure.

(a) Tests prescribed by or under this part are given at times and places, and by persons, designated by the Administrator.

(b) The minimum passing grade for each test is 70 percent.

§ 66.23 Knowledge tests: Cheating or other unauthorized conduct.

(a) Except as authorized by the Administrator, no person may—

(1) Copy, or intentionally remove, a knowledge test under this part;

(2) Give to another, or receive from another, any part or copy of that test;

(3) Give help on that test to, or receive help on that test from, any person during the period that the test is being given;

(4) Take any part of that test on behalf of another person;

(5) Use any material or aid during the period that the test is being given; or

(6) Intentionally cause, assist, or participate in any act prohibited by this paragraph (a).

(b) No person who commits an act prohibited by paragraph (a) of this section is eligible for any airman or ground instructor certificate, rating, or inspection authorization under this chapter for a period of 1 year after the date of that act. In addition, the commission of that act is a basis for suspending or revoking any airman or ground instructor certificate, rating, or inspection authorization held by that person.

§ 66.25 Retesting after failure.

An applicant for a knowledge, oral, or practical test for a certificate, rating, or inspection authorization under this part, may apply for retesting—

(a) After 30 days after the date the applicant failed the test; or

(b) Before the 30 days have expired if the applicant presents a signed statement from an airman holding the certificate, rating, or inspection authorization sought by the applicant, which certifies that the airman has given the applicant additional instruction in each of the subjects failed and that the airman considers the applicant ready for retesting.

§ 66.27 Offenses involving alcohol or drugs.

(a) A conviction for the violation of any Federal or State statute relating to the growing, processing, manufacture, sale, disposition, possession, transportation, or importation of narcotic drugs, marihuana, or depressant or stimulant drugs or substances, is grounds for—

(1) Denial of an application for any certificate, rating, or inspection authorization issued under this part for a period of up to 1 year after the date of final conviction; or

(2) Suspension or revocation of any certificate, rating, or inspection authorization issued under this part.

(b) The commission of an act prohibited by § 91.19(a) of this chapter is grounds for—

(1) Denial of an application for a certificate, rating, or inspection authorization issued under this part for a period of up to 1 year after the date of that act; or

(2) Suspension or revocation of any certificate, rating, or inspection authorization issued under this part.

§ 66.29 Refusal to submit to a drug or alcohol test.

(a) This section applies to an employee who performs a function listed in appendix I or appendix J to part 121 of this chapter directly or by contract for a certificate holder operating under part 121 or part 135 of this chapter, or an operator as defined in § 135.1(c) of this chapter.

(b) Refusal by the holder of a certificate issued under this part to take a drug test required under the provisions of appendix I to part 121 of this chapter or an alcohol test required under the provisions of appendix J to part 121 of this chapter, is grounds for—

(1) Denial of an application for any certificate, rating, or inspection authorization issued under this part for a period of up to 1 year after the date of that refusal; and

(2) Suspension or revocation of any certificate, rating, or inspection authorization issued under this part.

§ 66.31 Waivers: Policy and procedures.

(a) If the Administrator finds that the holder can safely exercise the privileges of the certificate and rating, the Administrator may issue any certificate or associated rating, specified under the provisions of this part, that authorizes the holder to exercise the privileges and limitations of the certificate and rating in deviation from §§ 66.51(b), 66.57, 66.201(b), and 66.203(b).

(b) An application for a certificate and rating, issued under the provisions of paragraph (a) of this section, shall be made on a form and in a manner prescribed by the Administrator and must be submitted to FAA Headquarters, Flight Standards Service, Aircraft Maintenance Division (AFS'300), 800 Independence Avenue SW., Washington, DC 20591.

(c) A certificate or any associated rating, issued under the provisions of paragraph (a) of this section, is effective as specified in the certificate and rating.

Subpart B—Aviation Maintenance Technicians

§ 66.51 Eligibility requirements: General.

An applicant for an aviation maintenance technician certificate and any associated rating must—

(a) Be at least 18 years of age;

(b) Demonstrate the ability to read, write, speak, and understand the English language by reading and explaining appropriate maintenance publications and by writing defect and repair statements. If the applicant is unable to meet any of these requirements because of medical reasons, the Administrator may place such limitations on that applicant's certificate as are necessary for the safe maintenance, preventive maintenance, or alteration of aircraft;

(c) Comply with the knowledge, experience, and competency requirements prescribed for the rating sought;

(d) Comply with any additional eligibility requirements specified for the rating sought; and

(e) Pass all of the prescribed tests for the rating sought, within a period of 24 months.

§ 66.53 Ratings.

The following ratings are issued under this subpart:

(a) Aircraft.

(b) Aviation maintenance instructor.

§ 66.55 Aircraft rating: Knowledge requirements.

(a) Except as specified in § 66.61(a), each applicant for an aviation maintenance technician certificate with an aircraft rating must, after meeting the applicable requirements of § 66.57, pass the applicable knowledge tests covering the construction and maintenance of aircraft appropriate to the certificate and rating, the regulations in this subpart, and the relevant provisions of this chapter.

(b) Except as specified in § 66.61(a), each applicant must pass all applicable knowledge tests before applying for the oral and practical tests prescribed by § 66.59. A report of the knowledge tests will be made available to the applicant.

§ 66.57 Aircraft rating: Experience requirements.

Each applicant for an aviation maintenance technician certificate with an aircraft rating must present—

(a) An appropriate graduation certificate or a certificate of completion from a certificated aviation maintenance technician school; or

(b) Documentary evidence, acceptable to the Administrator, of at least 5,000 hours of practical experience with the procedures, practices, materials, tools, machine tools, and equipment generally used in constructing, maintaining, or altering aircraft.

§ 66.59 Aircraft rating: Competency requirements.

Each applicant for an aviation maintenance technician certificate with an aircraft rating must demonstrate competency in performing tasks appropriate to the certificate sought by passing both an oral and a practical test. These tests will be based on the subjects covered by the knowledge tests for the certificate and rating.

§ 66.61 Certificated aviation maintenance technician school students.

(a) Whenever an aviation maintenance technician school certificated under part 147 of this chapter demonstrates to an FAA inspector that one of its students has made satisfactory progress at the school and is prepared to take the oral and practical tests prescribed by § 66.59, that student may take those tests during the final subjects of that student's training in the approved curriculum before meeting the applicable experience requirements of § 66.57 and before passing the knowledge tests prescribed by § 66.55.

(b) An applicant for an aviation maintenance technician certificate and rating under this part who has successfully completed all applicable knowledge tests is considered to meet

the knowledge, experience, and competency requirements prescribed for the rating sought if the applicant applies within 90 days after graduation from an aviation maintenance technician school, certificated under part 147 of this chapter, that is specifically authorized by the Administrator to test applicants on the competency requirements for the certificate and rating sought.

§ 66.63 Aircraft rating: Privileges and limitations.

(a) Except as specified in paragraph (d) of this section, a certificated aviation maintenance technician with an aircraft rating may perform the maintenance, preventive maintenance, or alteration to any aircraft, airframe, aircraft engine, propeller, appliance, component, or part thereof, and any additional duties in accordance with § 66.157.

(b) Except as specified in paragraph (d) of this section, a certificated aviation maintenance technician with an aircraft rating may supervise the maintenance, preventive maintenance, or alteration of, or after inspection, approve for return to service, any aircraft, airframe, aircraft engine, propeller, appliance, component, or part thereof provided the aviation maintenance technician, has—

(1) Satisfactorily performed the work at an earlier date;

(2) Demonstrated the ability to perform the work to the satisfaction of the Administrator;

(3) Received training acceptable to the Administrator on the tasks to be performed; or

(4) Performed the work while working under the direct supervision of a certificated aviation maintenance technician, certificated aviation maintenance technician (transport), or a certificated aviation repair specialist, who has—

(i) Had previous experience in the specific operation concerned; or

(ii) Received training acceptable to the Administrator on the tasks to be performed.

(c) Except as specified in paragraph (d) of this section, a certificated aviation maintenance technician with an aircraft rating may perform the 100-hour inspection required by part 91 of this chapter on any aircraft, airframe, aircraft engine, propeller, appliance, component, or part thereof, and approve that aircraft, airframe, aircraft engine, propeller, appliance, component, or part for return to service.

(d) A certificated aviation maintenance technician with an aircraft rating may not—

(1) Approve for return to service any aircraft certificated under part 25 or part 29 of this chapter except after the performance of—

(i) Those tasks specified in paragraph (c) of appendix A to part 43 of this chapter; or

(ii) Other tasks specified by the Administrator;

(2) Perform or supervise (unless under the direct supervision and control of a repair station certificated under part 145 of this chapter or of an air carrier operating under part 121 or part 135 of this chapter)—

(i) A major repair or major alteration of a propeller; or

(ii) Any repair or alteration of instruments other than a horizontal-card liquid-filled compass;

(3) Approve for return to service—

(i) Any aircraft, airframe, aircraft engine, propeller, appliance, component, or part thereof after completion of a major repair or major alteration; or

(ii) Any instrument other than a horizontal-card liquid-filled compass after completion of any repair or alteration;

(4) Exercise the privileges of the certificate unless the aviation maintenance technician understands the current instructions for continued airworthiness and the maintenance instructions for the specific operation concerned.

§ 66.65 Aircraft rating: Recent experience requirements.

(a) Except as provided in paragraphs (b) and (c) of this section, a certificated aviation maintenance technician with an aircraft rating may not exercise the privileges of the aircraft rating unless the aviation maintenance technician has—

(1) For at least 6 months within the preceding 24 months—

(i) Served as an aviation maintenance technician;

(ii) Served under the supervision of a certificated aviation maintenance technician or aviation maintenance technician (transport);

(iii) Technically supervised other aviation maintenance technicians;

(iv) Provided aviation maintenance instruction or served as the direct supervisor of persons providing aviation maintenance instruction for an aviation maintenance technician course or program acceptable to the Administrator;

(v) Supervised, in an executive capacity, the maintenance, preventive maintenance, or alteration of any aircraft, airframe, aircraft engine, propeller, appliance, component, or part thereof; or

(vi) Been engaged in any combination of paragraphs (a)(1)(i) through (a)(1)(v) of this section; and

(2) Within the preceding 24 months—

(i) Successfully completed an aviation maintenance technician refresher course, inspection authorization refresher course, or other course of instruction acceptable to the Administrator and appropriate to the duties of an aviation maintenance technician;

(ii) Performed maintenance or preventive maintenance for a certificate holder having a maintenance and preventive maintenance training program as required under § 121.375 or § 135.433 of this chapter;

(iii) Performed maintenance or preventive maintenance for a U.S.-certificated repair station that performs work in accordance with § 145.2(a) of this chapter or conducts a maintenance and preventive maintenance training program; or

(iv) Provided aviation maintenance instruction, or served as the direct supervisor of persons providing aviation maintenance instruction, for an aviation maintenance training course or program acceptable to the Administrator in which instruction is provided in the maintenance, preventive maintenance, or alteration of any aircraft, airframe, aircraft engine, propeller, appliance, component, or part thereof.

(b) A certificated aviation maintenance technician who has not met the requirements of paragraph (a) of this section may exercise the privileges of the certificate and rating (including for compensation or hire) if, within the preceding 24 months—

(1) The aviation maintenance technician has successfully completed a requalification course acceptable to the Administrator; or

(2) The Administrator has found the aviation maintenance technician competent to exercise the privileges of the certificate.

(c) A certificated aviation maintenance technician who has met the requirements of paragraph (a)(1) of this section, but has not met the requirements specified in paragraph (a)(2) or (b) of this section may exercise the privileges of the certificate and rating, but not for compensation or hire.

§ 66.67 Aviation maintenance instructor rating: Additional eligibility requirements.

(a) An applicant for an aviation maintenance technician certificate with an aviation maintenance instructor rating must—

(1) Hold a current and valid aviation maintenance technician certificate, with

an aircraft rating, that has been in effect for a total of at least 3 years;

(2) Have been actively engaged, for at least the 2-year period before the date of application, in maintaining aircraft in accordance with this chapter; and

(3) Within 24 months of the date of application, pass a knowledge test on the subjects in which instruction is required under § 66.69 or, at the time of application—

(i) Hold a current and valid ground instructor or flight instructor certificate;

(ii) Present an appropriate graduation certificate, a certificate of completion, or other documentary evidence acceptable to the Administrator, that demonstrates the award of a degree in education, vocational education, technical education, or occupational education from an accredited institution; or

(iii) Hold a current and valid State teaching certificate, acceptable to the Administrator, that requires the holder to obtain proficiency in the subjects specified in § 66.69.

(b) Before [date 12 months after the effective date of the final rule], an applicant who can present evidence acceptable to the Administrator, that he or she has served as an aviation maintenance instructor, or as the supervisor of aviation maintenance instructors at an aviation maintenance school certificated under part 147 of this chapter, need not comply with the requirements of paragraph (a)(3) of this section.

§ 66.69 Aviation maintenance instructor rating: instructional knowledge and proficiency.

An applicant for an aviation maintenance technician certificate with an aviation maintenance instructor rating must satisfactorily demonstrate instructional knowledge and proficiency in the following subjects:

(a) The learning process.

(b) Elements of effective teaching.

(c) Student evaluation and testing.

(d) Course development.

(e) Lesson planning.

(f) Classroom training techniques.

§ 66.71 Aviation maintenance instructor rating: Privileges and limitations.

A certificated aviation maintenance technician with an aviation maintenance instructor rating—

(a) May serve as an aviation maintenance instructor under the provisions of §§ 147.23 and 147.36 of this chapter; and

(b) May only exercise the privileges of that rating when holding a current and valid aviation maintenance technician certificate with an aircraft rating.

§ 66.73 Aviation maintenance instructor rating: Recent experience requirements.

A certificated aviation maintenance technician with an aviation maintenance instructor rating may not exercise the privileges of that rating unless within the preceding 24 months the individual—

(a) Has provided 300 hours of aviation maintenance instruction;

(b) Has, for a period of 300 hours, supervised other aviation maintenance instructors;

(c) Has successfully completed an aviation maintenance technician refresher course or other course of instruction acceptable to the Administrator and appropriate to the duties of an aviation maintenance instructor; or

(d) The Administrator has determined that the aviation maintenance technician meets the standards prescribed in this part for the issuance of the aviation maintenance technician certificate with the aviation maintenance instructor rating.

Subpart C—Aviation Maintenance Technicians (Transport)

§ 66.101 Eligibility requirements: General.

An applicant for an aviation maintenance technician (transport) certificate, must—

(a) Hold a current and valid aviation maintenance technician certificate with an aircraft rating; and

(b) Comply with any additional eligibility requirements specified for the rating sought.

§ 66.103 Ratings.

The following ratings are issued under this subpart:

(a) Aircraft.

(b) Aviation maintenance instructor.

§ 66.105 Transition to new certificates and ratings.

(a) A mechanic certificate with airframe and powerplant ratings that was issued before, and was valid on [date 12 months after the effective date of the final rule], is equal to an aviation maintenance technician (transport) certificate with an aircraft rating and may be exchanged for such a corresponding certificate and rating.

(b) The holder of a current and valid mechanic certificate with an airframe rating may exercise the privileges specified in § 66.109; however, the holder may not approve the powerplant or propeller of any aircraft certificated under this chapter and any related appliance, component, or part thereof, for return to service.

(c) The holder of a current and valid mechanic certificate with a powerplant rating may exercise the privileges specified in § 66.109; however, the holder may not approve the airframe of any aircraft certificated under this chapter and any related appliance, component, or part thereof, for return to service.

§ 66.107 Aircraft rating: Additional eligibility requirements.

An applicant for an aviation maintenance technician (transport) certificate with an aircraft rating must present an appropriate graduation certificate, a certificate of completion, or other documentary evidence acceptable to the Administrator, that demonstrates the satisfactory completion of—

(a) An aviation maintenance technician (transport) training program, administered by an approved training provider, that meets the requirements of appendix A to this part;

(b) An aviation maintenance technician (transport) training program approved under part 147 of this chapter that meets the requirements of paragraph (d) of appendix A to this part; or

(c) A training program approved under part 121, subpart L, or part 135, subpart J, of this chapter that meets the requirements of paragraph (d) of appendix A to this part.

§ 66.109 Aircraft rating: Privileges and limitations.

(a) Except as specified in paragraph (d) of this section, a certificated aviation maintenance technician (transport) with an aircraft rating may perform maintenance, preventive maintenance, or alteration on any aircraft, airframe, aircraft engine, propeller, appliance, or component part thereof, and any additional duties in accordance with § 66.157.

(b) Except as specified in paragraph (d) of this section, a certificated aviation maintenance technician (transport) may supervise the maintenance, preventive maintenance, or alteration of, and after inspection approve for return to service, any aircraft, airframe, aircraft engine, propeller, appliance, component, or part thereof, provided the aviation maintenance technician (transport) has—

(1) Satisfactorily performed the work at an earlier date;

(2) Demonstrated the ability to perform the work to the satisfaction of the Administrator;

(3) Received training acceptable to the Administrator on the tasks to be performed; or

(4) Performed the work while working under the direct supervision of a certificated aviation maintenance

technician, certificated aviation maintenance technician (transport), or certificated aviation repair specialist who has—

(i) Had previous experience in the specific operation concerned; or

(ii) Received training acceptable to the Administrator on the tasks to be performed.

(c) Except as specified in paragraph (d) of this section, a certificated aviation maintenance technician (transport) may perform the 100-hour inspection required by part 91 of this chapter on any aircraft, airframe, aircraft engine, propeller, appliance, component, or part thereof, and approve the aircraft, airframe, aircraft engine, propeller, appliance, component, or part for return to service.

(d) A certificated aviation maintenance technician (transport) with an aircraft rating may not—

(1) Perform or supervise (unless under the direct supervision and control of a repair station certificated under part 145 of this chapter or of an air carrier operating under part 121 or part 135 of this chapter)—

(i) A major repair or major alteration of a propeller; or

(ii) Any repair or alteration of instruments, other than a horizontal-card liquid-filled compass;

(2) Approve for return to service—

(i) Any aircraft, airframe, aircraft engine, propeller, appliance, component, or part thereof after completion of a major repair or major alteration; or

(ii) Any instrument other than a horizontal-card liquid-filled compass after completion of any repair or alteration;

(3) Exercise the privileges of the certificate unless the aviation maintenance technician (transport) understands the current instructions for continued airworthiness and the maintenance instructions for the specific operation concerned.

§ 66.111 Aircraft rating: Recent experience requirements.

(a) Except as provided in paragraphs (b) and (c) of this section, a certificated aviation maintenance technician (transport) with an aircraft rating may not exercise the privileges of the aircraft rating unless the aviation maintenance technician (transport) has—

(1) For at least 6 months within the preceding 24 months—

(i) Served as an aviation maintenance technician (transport) engaged in the maintenance, preventive maintenance, or alteration of aircraft certificated under part 25 or part 29 of this chapter, or of any airframe, aircraft engine, propeller, appliance, component, or part thereof;

(ii) Served under the supervision of a certificated aviation maintenance technician (transport) engaged in the maintenance, preventive maintenance, or alteration of aircraft certificated under part 25 or part 29 of this chapter, or of any airframe, aircraft engine, propeller, appliance, component, or part thereof;

(iii) Technically supervised other aviation maintenance technicians or aviation maintenance technicians (transport) engaged in the maintenance, preventive maintenance, or alteration of aircraft certificated under part 25 or part 29 of this chapter, or of any airframe, aircraft engine, propeller, appliance, component, or part thereof;

(iv) Provided aviation maintenance instruction or served as the direct supervisor of persons providing aviation maintenance instruction for an aviation maintenance training course or program acceptable to the Administrator, in which instruction is provided in the maintenance, preventive maintenance, or alteration of aircraft certificated under part 25 or part 29 of this chapter, or of any airframe, aircraft engine, propeller, appliance, component, or part thereof;

(v) Supervised, in an executive capacity, the maintenance, preventive maintenance, or alteration of aircraft certificated under part 25 or part 29 of this chapter, or of any airframe, aircraft engine, propeller, appliance, component, or part thereof; or

(vi) Been engaged in any combination of paragraphs (a)(1)(i) through (a)(1)(v) of this section; and

(2) Within the preceding 24 months—

(i) Successfully completed an aviation maintenance technician (transport) refresher course, inspection authorization refresher course, or course of instruction acceptable to the Administrator and appropriate to the duties of an aviation maintenance technician (transport);

(ii) Performed maintenance or preventive maintenance for a certificate holder with a maintenance and preventive maintenance training program required under § 121.375 or § 135.433 of this chapter;

(iii) Performed maintenance or preventive maintenance for a U.S.-certificated repair station that performs work in accordance with § 145.2(a) of this chapter or conducts a maintenance and preventive maintenance training program; or

(iv) Provided aviation maintenance instruction or served as the direct supervisor of persons providing aviation maintenance instruction for an aviation maintenance training course or program acceptable to the Administrator, in which instruction is provided in the maintenance, preventive maintenance, or alteration of aircraft, or of any airframe, aircraft engine, propeller, appliance, component, or part thereof.

(b) A certificated aviation maintenance technician (transport) who has not met the requirements of paragraph (a) of this section may exercise the privileges of the certificate and rating (including for compensation or hire) if, within the preceding 24 months—

(1) The aviation maintenance technician (transport) has successfully completed a requalification course acceptable to the Administrator; or

(2) The Administrator has found that the aviation maintenance technician (transport) is competent to exercise the privileges of the certificate.

(c) A certificated aviation maintenance technician (transport) who has met the requirements of paragraph (a)(1) of this section, but has not met the requirements specified in paragraph (a)(2) or (b) of this section, may exercise the privileges of the certificate and rating, but not for compensation or hire.

(d) The holder of an aviation maintenance technician (transport) certificate with an aircraft rating, who has not met the recent experience requirements of this section but has met the recent experience requirements of § 66.65 for the holder of an aviation maintenance technician certificate with an aircraft rating, may exercise the privileges of an aviation maintenance technician certificate with an aircraft rating until the recent experience requirements of this section have been met.

§ 66.113 Aviation maintenance instructor rating: Additional eligibility requirements.

(a) An applicant for an aviation maintenance technician (transport) certificate with an aviation maintenance instructor rating must—

(1) Hold a current and valid aviation maintenance technician (transport) certificate with an aircraft rating that has been in effect for a total of at least 3 years;

(2) Have been actively engaged, for at least the 2-year period before the date of application, in maintaining aircraft in accordance with this chapter; and

(3) Within 24 months of the date of application, pass a knowledge test on the subjects in which instruction is required under § 66.69 or, at the time of application—

(i) Hold a current and valid ground instructor or flight instructor certificate; or

(ii) Present an appropriate graduation certificate, a certificate of completion, or other documentary evidence acceptable to the Administrator, that demonstrates the award of a degree in education, vocational education, technical education, or occupational education, from an accredited institution; or

(iii) Hold a current and valid State teaching certificate, acceptable to the Administrator, that requires the holder to obtain proficiency in the subjects specified in § 66.69.

(b) A person who meets the requirements for the issuance of an aviation maintenance technician (transport) certificate with an aircraft rating and who holds a current and valid aviation maintenance technician certificate with aircraft and aviation maintenance instructor ratings need not comply with the requirements of paragraph (a) of this section and will be issued an aviation maintenance technician (transport) certificate with aircraft and aviation maintenance instructor ratings upon application.

(c) Before [date 12 months after the effective date of the final rule], an applicant who can present evidence acceptable to the Administrator, that he or she has served as an aviation maintenance instructor or as the supervisor of aviation maintenance instructors at an aviation maintenance school certificated under part 147 of this chapter need not comply with the requirements of paragraph (a)(3) of this section.

§ 66.115 Aviation maintenance instructor rating: Privileges and limitations.

A certificated aviation maintenance technician (transport) with an aviation maintenance instructor rating—

(a) May serve as an aviation maintenance instructor under the provisions of §§ 147.23 and 147.36 of this chapter; and

(b) May only exercise the privileges of that rating when holding a current and valid aviation maintenance technician (transport) certificate with an aircraft rating.

§ 66.117 Aviation maintenance instructor rating: Recent experience requirements.

(a) A certificated aviation maintenance technician (transport) with an aviation maintenance instructor rating may not exercise the privileges of that rating unless within the preceding 24 months the individual—

(1) Has provided 300 hours of aviation maintenance instruction;

(2) Has for a period of 300 hours supervised other aviation maintenance instructors;

(3) Has successfully completed an aviation maintenance technician (transport) refresher course or other course of instruction acceptable to the Administrator and appropriate to the duties of an aviation maintenance instructor; or

(4) The Administrator has determined that the aviation maintenance technician (transport) meets the standards prescribed in this part for the issuance of the aviation maintenance technician (transport) certificate with the aviation maintenance instructor rating.

(b) The holder of an aviation maintenance technician (transport) certificate with an aviation maintenance instructor rating who has not met the recent experience requirements of this section but has met the recent experience requirements of § 66.73 for the holder of an aviation maintenance technician certificate with an aviation maintenance instructor rating, may exercise the privileges of an aviation maintenance technician certificate with the aviation maintenance instructor rating until the recent experience requirements of this section have been met.

§ 66.119 Aviation maintenance technician (transport) training providers.

(a) Except as specified in paragraph (b) of this section, an applicant for approval as a provider of an aviation maintenance technician (transport) training program specified in § 66.107(a) must—

(1) Submit a written request for approval to the Administrator; and

(2) Comply with the requirements of appendix A to this part.

(b) An applicant for approval as a provider of an aviation maintenance technician (transport) training program that is a certificate holder operating under part 121 or part 135 of this chapter, an aviation maintenance technician school certificated under part 147 of this chapter, or a repair station that performs maintenance, preventive maintenance, or alterations under § 145.2(a) of this chapter, must comply with paragraph (a)(1) of this section and submit evidence acceptable to the Administrator, that shows the training program meets the requirements of paragraph (d) of appendix A to this part.

Subpart D—Inspection Authorizations

§ 66.151 Eligibility requirements: General.

(a) To be eligible for an inspection authorization, an applicant must—

(1) Hold a current and valid aviation maintenance technician certificate or aviation maintenance technician (transport) certificate;

(2) Have held a current and valid aviation maintenance technician certificate or aviation maintenance technician (transport) certificate for a total of at least 3 years;

(3) Have been actively engaged, for at least the 2-year period before the date of application, in the maintenance of aircraft certificated and maintained in accordance with this chapter;

(4) Have a fixed base of operations at which the applicant may be located in person or by telephone during a normal working week but which need not be the place where the applicant will exercise inspection authority;

(5) Have available the equipment, facilities, and inspection data necessary to properly inspect airframes, aircraft engines, propellers, or any related component, part, or appliance;

(6) Pass a knowledge test that demonstrates the certificate holder's ability to inspect according to safety standards for approving aircraft for return to service after major and minor repairs, major and minor alterations, annual inspections, and progressive inspections, which are performed under part 43 of this chapter; and

(7) Successfully complete an inspection authorization refresher course acceptable to the Administrator, of not less than 8 hours of instruction during the 12-month period preceding the application.

(b) An applicant intending to inspect and approve for return to service any aircraft certificated under part 25 or part 29 of this chapter, except those aircraft maintained in accordance with a continuous airworthiness maintenance program approved under part 121 of this chapter must—

(1) Hold a current and valid aviation maintenance technician (transport) certificate; and

(2) Have been actively engaged, for at least the 2-year period before the date of application, in the maintenance, preventive maintenance, or alteration of aircraft certificated under part 25 or part 29 of this chapter, or of any airframe, aircraft engine, propeller, appliance, component, or part thereof.

(c) An applicant who fails the knowledge test prescribed in paragraph (a)(6) of this section may not apply for retesting until at least 90 days after the date of the test.

§ 66.153 Duration of authorization.

(a) Each inspection authorization expires on the last day of the 24th month after the date of issuance.

(b) An inspection authorization ceases to be effective whenever any of the following occurs:

(1) The authorization is surrendered, suspended, or revoked.

(2) The holder no longer has a fixed base of operation.

(3) The holder no longer has the equipment, facilities, or inspection data required by § 66.151(a)(5) for issuance of the authorization.

(4) The holder no longer holds a current and valid aviation maintenance technician certificate or aviation maintenance technician (transport) certificate, as appropriate.

(c) The holder of an inspection authorization that is suspended or revoked shall, upon the Administrator's request, return it to the Administrator.

§ 66.155 Renewal of authorization.

(a) To be eligible for renewal of an inspection authorization for a 2-year period, an applicant must, within 90 days before the expiration of the inspection authorization, present evidence at an FAA Flight Standards District Office or an International Field Office that the applicant still meets the requirements of § 66.151(a)(1) through (a)(5) and show that, during the current period that the applicant held the inspection authorization, the applicant has—

(1) Performed at least one annual inspection for each 3 months that the applicant held the current authority;

(2) Performed inspections of at least two major repairs or major alterations for each 3 months that the applicant held the current authority;

(3) Performed or supervised and approved at least one progressive inspection in accordance with standards prescribed by the Administrator for each 12 months that the applicant held the current authority;

(4) Performed any combination of paragraphs (a)(1) through (a)(3) of this section;

(5) Successfully completed an inspection authorization refresher course or series of courses acceptable to the Administrator, of not less than 16 hours of instruction during the 24-month period preceding the application for renewal; or

(6) Passed an oral test administered by an FAA inspector to determine that the applicant's knowledge of applicable regulations and standards is current.

(b) An applicant intending to remove the limitation specified in § 66.157(b) must present evidence that he or she still meets the requirements of § 66.151(a) and (b) and that the inspections or maintenance required to be performed or supervised and approved under paragraph (a) of this section involved aircraft certificated under part 25 or part 29 of this chapter, or any airframe, aircraft engine, propeller, appliance, component, or part thereof.

§ 66.157 Privileges and limitations.

(a) Except as specified in paragraphs (b) and (c) of this section, the holder of an inspection authorization with either a current and valid aviation maintenance technician certificate or a current and valid aviation maintenance technician (transport) certificate may:

(1) Inspect and approve for return to service any aircraft, airframe, aircraft engine, propeller appliance, component, or part thereof after completion of a major repair or major alteration performed in accordance with part 43 of this chapter and technical data approved by the Administrator.

(2) Perform an annual inspection, or perform or supervise a progressive inspection, according to §§ 43.13 and 43.15 of this chapter, on any aircraft and approve the aircraft for return to service.

(b) The holder of an inspection authorization with a current and valid aviation maintenance technician certificate may not inspect and approve for return to service any aircraft certificated under part 25 or part 29 of this chapter.

(c) The holder of an inspection authorization with either a current and valid aviation maintenance technician certificate or a current and valid aviation maintenance technician (transport) certificate may not inspect and approve for return to service any aircraft maintained in accordance with a continuous airworthiness maintenance program approved under part 121 of this chapter.

(d) When exercising the privileges of an inspection authorization, the holder shall keep it available for inspection by the aircraft owner and the aviation maintenance technician or aviation maintenance technician (transport) who submit the aircraft, repair, or alteration for approval (if any), and shall present it at the request of the Administrator or an authorized representative of the National Transportation Safety Board, or at the request of any Federal, State, or local law enforcement officer.

(e) If the holder of an inspection authorization changes his or her fixed base of operation, the holder may not exercise the privileges of the authorization until he or she has notified, in writing, the FAA Flight Standards District Office, or International Field Office, for the area in which the new base is located, of the change.

Subpart E—Aviation Repair Specialists

§ 66.201 Aviation repair specialist certificates issued on the basis of proficiency in a designated specialty area (ARS–I): Eligibility.

An applicant for an aviation repair specialist certificate and rating issued on the basis of proficiency in a designated specialty area (ARS–I) must—

(a) Be at least 18 years of age;

(b) Demonstrate the ability to read, write, speak, and understand the English language by reading and explaining appropriate maintenance publications and by writing defect and repair statements. If the applicant is unable to meet any of these requirements because of medical reasons, the Administrator may place such limitations on that applicant's certificate as are necessary for the safe maintenance, preventive maintenance, or alteration of aircraft; and

(c) Present either—

(1) An appropriate graduation certificate, a certificate of completion, or other documentary evidence acceptable to the Administrator, that demonstrates satisfactory completion of an aviation repair specialist training course or program for a rating in a specialty area designated by the Administrator; or

(2) Before [date 12 months after the effective date of the final rule], evidence acceptable to the Administrator, of the ability to perform those tasks appropriate to the certificate and rating in the designated specialty area sought.

§ 66.203 Aviation repair specialist certificates issued on the basis of employment (ARS–II): Eligibility.

An applicant for an employment-based aviation repair specialist certificate (ARS–II) must—

(a) Be at least 18 years of age;

(b) Demonstrate the ability to read, write, speak, and understand the English language by reading and explaining appropriate maintenance publications and by writing defect and repair statements. If the applicant is unable to meet any of these requirements because of medical reasons, the Administrator may place such limitations on that applicant's certificate as are necessary for the safe maintenance, preventive maintenance, or alteration of aircraft;

(c) Be specially qualified to perform maintenance on aircraft, airframes, aircraft engines, propellers, appliances, components, or parts thereof, that is appropriate to the job in which that person is employed;

(d) Be employed in a specific job that requires those special qualifications, by

a certificated repair station or by a certificated commercial operator or certificated air carrier, that is required by its operating certificate or approved operations specifications to provide a continuous airworthiness maintenance program according to its certificate holder's manual;

(e) Be recommended for certification, by his or her employer and to the satisfaction of the Administrator, as able to satisfactorily maintain aircraft or appliances, components, or parts, appropriate to the job for which the person is employed; and

(f) Have either—

(1) At least 3,000 hours of practical experience in the procedures, practices, inspection methods, materials, tools, machine tools, and equipment generally used in the maintenance duties of the specific job for which the person is to be employed and certificated; or

(2) Completed formal training that is acceptable to the Administrator and specifically designed to qualify the applicant for the job in which the applicant is to be employed.

§ 66.205 Aviation repair specialist certificates issued to experimental aircraft builders (ARS–III): Eligibility.

An applicant for an aviation repair specialist certificate issued to an experimental aircraft builder (ARS–III), must—

(a) Be at least 18 years of age;

(b) Be the primary builder of the aircraft to which the privileges of the certificate are applicable;

(c) Show, to the satisfaction of the Administrator, that the individual has the requisite skill to determine whether the aircraft is in a condition for safe operation; and

(d) Be a citizen of the United States or an individual citizen of a foreign country who has been lawfully admitted for permanent residence in the United States.

§ 66.207 Transition to new certificates.

(a) A valid repairman certificate (other than a repairman certificate issued to an experimental aircraft builder) is equal to an aviation repair specialist certificate issued on the basis of employment (ARS'II).

(b) A valid repairman certificate (experimental aircraft builder) is equal to an aviation repair specialist certificate issued to an experimental aircraft builder (ARS–III).

§ 66.209 Aviation repair specialist certificates issued on the basis of proficiency in a designated specialty area (ARS'I): Privileges and limitations.

(a) The holder of an aviation repair specialist certificate issued on the basis of proficiency in a designated specialty area (ARS–I) may perform or supervise the maintenance, preventive maintenance, or alteration of aircraft, airframes, aircraft engines, propellers, appliances, components, and parts appropriate to the designated specialty area for which the aviation repair specialist is certificated, but only in connection with employment by a certificate holder operating under part 121 or part 135 of this chapter or a repair station certificated under part 145 of this chapter.

(b) The holder of an aviation repair specialist certificate issued on the basis of proficiency in a designated specialty area (ARS–I) may not perform or supervise duties under the aviation repair specialist certificate unless the individual understands the current instructions of the certificate holder by whom the aviation repair specialist is employed and the instructions for continued airworthiness that relate to the specific operations concerned.

§ 66.211 Aviation repair specialist certificates issued on the basis of employment (ARS–II): Privileges and limitations.

(a) The holder of an aviation repair specialist certificate issued on the basis of employment (ARS–II) may perform or supervise the maintenance, preventive maintenance, or alteration of aircraft, airframes, aircraft engines, propellers, appliances, components, and parts thereof appropriate to the job in which the aviation repair specialist is employed and certificated, but only in connection with duties for the certificate holder by whom the aviation repair specialist was employed and recommended.

(b) The holder of an aviation repair specialist certificate issued on the basis of employment (ARS–II) may not perform or supervise duties under the aviation repair specialist certificate unless the person understands the current instructions of the certificate holder by whom the aviation repair specialist is employed and the instructions for continued airworthiness that relate to the specific operations concerned.

§ 66.213 Aviation repair specialist certificates issued to experimental aircraft builders (ARS–III): Privileges and limitations.

The holder of an aviation repair specialist certificate issued to an experimental aircraft builder (ARS–III) may perform condition inspections on the aircraft constructed by the holder, in accordance with the operating limitations of that aircraft.

§ 66.215 Aviation repair specialist certificates issued on the basis of proficiency in a designated specialty area (ARS–I): Recent experience requirements.

The holder of an aviation repair specialist certificate issued on the basis of proficiency in a designated specialty area (ARS–I) may not exercise the privileges of the certificate unless the holder meets the current qualification and proficiency requirements for the issuance of the certificate and rating in the designated specialty area.

Appendix A to Part 66—Aviation Maintenance Technician (Transport) Training Program Curriculum Requirements

(a) *Form of training program outline.* An applicant for approval as a training provider must submit a training program outline to the Administrator. The training program outline may be submitted in paper, electronic, or any other form that is acceptable to the Administrator; however, it shall include a table of contents. The table of contents must specify those subject areas taught in the program and the number of curriculum hours allotted to each subject area.

(b) *Content of training program outline.* The training program outline must contain all of subject area headings specified in this appendix; however, the headings are not required to be arranged in the outline exactly as listed in this appendix. Any arrangement of headings and subheadings will be satisfactory provided that the outline indicates that instruction will be provided in each subject area for at least the minimum number of hours specified in this appendix. Each general subject area of the outline shall be subdivided in detail, showing the items to be covered.

(c) *Additional subject areas.* Any training provider may include additional subjects that are not specified in this appendix in the training program outline; however, the number of hours allotted to training in each subject area must be specified. Hourly requirements devoted to additional subject areas not specified in this appendix are not included in the determination of a program's compliance with the minimum training requirements specified in this appendix.

(d) *Minimum training program requirements.* Unless approved by the Administrator in accordance with paragraph (h) of this appendix, the following subject areas and classroom hours for each subject area are considered the minimum training requirements for an aviation maintenance technician (transport) training program:

Subject area	Classroom hours
Advanced electronics	229
Composites	62
Structural repair	86
Powerplants and systems	58
Safety and environment	69
Publications	69

Subject area	Classroom hours
Total Hours	573

(e) *Facilities, equipment, and material.* An applicant for authority to conduct a training program leading to the issuance of the aviation maintenance technician (transport) certificate must have the following facilities, equipment, and materials:

(1) Facilities—Suitable classrooms, laboratories, and shop facilities, adequate to accommodate the largest number of students scheduled for attendance at any one time, must be provided. Such classrooms, laboratories, and shop facilities shall be properly heated, lighted, and ventilated.

(2) Equipment and materials—Suitable devices for the instruction of each student in the theoretical and practical aspects of the subjects contained in the training program shall be provided. This material may include, but shall not be limited to, acceptable textbooks, operations manuals, chalkboards, calculators, computers, and visual aids.

(f) *Instructors.* The number of instructors available for conducting the program of instruction shall be determined according to the needs and facilities of the applicant. However, the ratio of students per instructor in each shop class may not exceed 25 students per 1 instructor.

(g) *Credit for previous training.* A training provider may evaluate an entrant's previous training and, where the training is verifiable and comparable to portions of the training program, the training provider may, as each individual case warrants, allow credit for such training, commensurate with accepted training practices. Before credit is allowed, the individual requesting credit must pass an examination given by the training provider, which is equivalent to those examinations given by the training provider for the same subject in the training program. Where credit is allowed, the basis for the allowance, the results of any tests used to establish the credit, and the total hours credited must be incorporated as a part of the student's records, as specified in paragraph (i) of this appendix.

(h) *Revision of training program.* (1) After initial approval of a training provider, the training provider may apply to the Administrator for a revision to the training program. Requests for the revision of a training program, which include modifications to the facilities, equipment, and material used, or a reduction in the number of hours of instruction provided to fewer than the specified minimum requirements, shall be accomplished in the same manner established for securing original approval of the training provider. Revisions must be submitted in such form that the revision can be readily included in the training program outline so that obsolete portions of the outline can be readily superseded by the revision.

(2) A modification of the training program, or a reduction in the number of hours of training provided to fewer than the specified minimum requirements, is based on improved training effectiveness because of the use of improved training methods and training aids, an increase in the quality of instruction, the use of special student entry requirements, the granting of credit for previous experience or training, or any combination thereof.

(3) The list of instructors may be revised at any time without request for approval, provided the minimum requirements are maintained and the local FAA principal maintenance inspector is notified of the revision.

(4) Whenever the Administrator finds that revisions are necessary for the continued adequacy of the training program, the training provider shall, after notification by the Administrator, make any changes in the training program, that the Administrator deems necessary.

(i) *Student records and reports.* Approval of a training provider may not be continued unless the training provider keeps an accurate record of each student, including a chronological log of all instruction, subjects covered, examinations, grades, and attendance records (including a record of the manner in which missed material was covered). To retain approval, a training provider also must prepare and transmit to the Federal Aviation Administration, not later than January 31 of each year, a report containing the following information:

(1) The names of all students graduated, student attendance records, and student grades for the program.

(2) The names of all students failed or dropped, together with school grades and reasons for dropping.

(3) Upon request, the Administrator may waive the reporting requirements specified in paragraphs (i)(1) and (2) of this appendix, for a training program that is part of an approved training course conducted under the following parts or subparts: part 121, subpart L; part 135, subpart J; or part 147 of this chapter.

(j) *Statement of graduation and records of training completion.* Each student who successfully completes a training program shall be given a statement of graduation. Each student who completes a portion of a training program shall, upon request, be given a record of the training completed.

(k) *Contracts or agreements.* (1) An approved training provider may contract with other persons to obtain suitable course work, curriculum, programs, instruction, aircraft, simulators, or other training devices or equipment.

(2) An approved training provider may contract with another person to conduct any portion or all of a training program. The approved training provider may not authorize that person to contract for the conduct of the program by a third party.

(3) In all cases, the approved training provider is responsible for the content and quality of the instruction provided.

(4) A copy of each contract authorized under this paragraph shall be retained by the approved training provider and is subject to review by the Administrator during the period of the contract and within 2 years after the termination of its provisions.

(l) *Change of ownership, name, or location.* (1) Change of ownership—Approval of a training provider may not be continued after the ownership of the training program has changed. The new owner must obtain a new approval by following the procedures prescribed for original approval.

(2) Change in name—An approved training provider or program, changed in name but not changed in ownership, remains valid if the change is reported within 30 days by the training provider to the local Flight Standards District Office.

(3) Change in location—Approval for a training provider remains in effect even though the approved training provider changes location if the change is reported by the training provider to the local Flight Standards District Office within 30 days. Approval may, however, be withdrawn if, after inspection, the facilities, equipment, and material at the new location do not meet the requirements of paragraph (e) of this appendix.

(m) *Cancellation of approval.* (1) Failure to meet or maintain any of the standards set forth in this appendix for the approval of a training provider shall be considered a sufficient reason for discontinuing approval of the training provider.

(2) If a training provider decides to cancel its approval voluntarily, the training provider shall send a letter requesting cancellation to the Administrator through the local Flight Standards District Office. The request shall contain the current letter of approval for the training provider.

(n) *Duration.* Unless an approved training provider is a certificate holder operating under part 121 or part 135 of this chapter, an aviation maintenance technician school certificated under part 147 of this chapter, or a repair station that performs work under § 145.2(a) of this chapter, the authority to operate a training program shall expire 24 months after the last day of the month in which the approval was issued. If the approved training provider is a certificate holder operating under part 121 or part 135 of this chapter, an aviation maintenance technician school certificated under part 147 of this chapter, or a repair station that performs work under § 145.2(a) of this chapter, the authority to operate a training program will remain effective for the duration of the holder's certificate.

(o) *Renewal.* Application for renewal of authority to conduct a training program shall be made by letter addressed to the Administrator through the local Flight Standards District Office at any time within 60 days before the expiration date of the current approval. Renewal of a training provider's approval will depend on the training program meeting established standards and the record of the training provider.

PART 147—AVIATION MAINTENANCE TECHNICIAN SCHOOLS

10. The authority citation for part 147 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40113, 44701–44702, 44707–44709.

11. Section 147.23 is revised to read as follows:

§ 147.23 Instructor requirements.

An applicant for an aviation maintenance technician school certificate and rating, or for an additional rating, must provide the number of instructors, determined by the Administrator to be sufficient to provide adequate supervision of the students, who hold appropriate aviation maintenance technician or aviation maintenance technician (transport) certificates with aviation maintenance instructor ratings; the instructors shall be provided after [date 12 months after the effective date of the final rule], and shall include at least 1 aviation maintenance technician with an aviation maintenance instructor rating or 1 aviation maintenance technician (transport) with an aviation maintenance instructor rating for each 25 students in each shop class. However, the applicant may provide specialized instructors who are not certificated aviation maintenance technicians or aviation maintenance technicians (transport) to teach mathematics, physics, basic electricity, basic hydraulics, drawing, or similar subjects. The applicant is required to maintain a list of the names and qualifications of specialized instructors and, upon request, provide a copy of the list to the FAA.

12. Section 147.36 is revised to read as follows:

§ 147.36 Maintenance instructor requirements.

Each certificated aviation maintenance technician school shall, after certification or addition of a rating, continue to provide the number of instructors that the Administrator deems sufficient to provide adequate instruction to the students and who hold appropriate aviation maintenance technician or aviation maintenance technician (transport) certificates with aviation maintenance instructor ratings, including after [date 12 months after the effective date of the final rule], at least 1 certificated aviation maintenance instructor for each 25 students in each shop class. The school may continue to provide specialized instructors who are not certificated aviation maintenance technicians or aviation maintenance technicians (transport) to teach mathematics, physics, basic electricity, basic hydraulics, drawing, or similar subjects.

Issued in Washington, DC, on June 26, 1998.

Ava L. Mims,

Acting Director, Flight Standards Service.

[FR Doc. 98–17589 Filed 7–8–98; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Parts 65 and 66

[Docket No. 27863; Notice No. 98–5]

RIN 2120–AF22

Revision of Certification Requirements: Mechanics and Repairmen

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM); withdrawal.

SUMMARY: This document withdraws a previously published NPRM (59 FR 42430, August 17, 1994) that proposed to amend the Federal Aviation Regulations that prescribe the certification requirements for mechanics and repairmen. That NPRM was the result of the completion of the phase I review of the certification requirements for mechanics and repairmen by the Aviation Rulemaking Advisory Committee (ARAC), Part 65 Working Group. Since the publication of that NPRM, the ARAC completed their phase II review of the certification requirements for mechanics and repairmen. Based on the phase II review, the Federal Aviation Administration (FAA) has developed a new proposal, published elsewhere in this separate part of the **Federal Register**, that includes many of the proposals set forth in the previously published notice and additional proposals resulting from the completion of phase II review. In an effort to avoid confusion in the aviation maintenance community, and to ensure that adequate notice and comment are provided, the FAA has determined that the two proposals should be reconciled and consolidated into a single NPRM containing both sets of proposals.

DATES: The proposed rule published at 59 FR 42430 is withdrawn July 9, 1998.

FOR FURTHER INFORMATION CONTACT: Leslie K. Vipond (AFS–350), Continuous Airworthiness Maintenance Division, Flight Standards Service, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591; telephone (202) 267–3269.

SUPPLEMENTARY INFORMATION: On August 17, 1994, the FAA published Notice of Proposed Rulemaking No. 94–27 (59 FR 42430) to propose amendments to 14 CFR part 65 and create 14 CFR part 66. The FAA invited public comment to this proposal, and the comment period closed on October 17, 1994. The proposed rule would revise the certification requirements for mechanics and repairmen based on recommendations from the Aviation Rulemaking Advisory Committee (ARAC), Part 65 Working Group, made after completion of phase I of the FAA review of the certification requirements for these personnel.

Since the NPRM was issued, the ARAC has completed phase II of its regulatory review of these certification requirements. Implementation of the proposals made during phase II of the ARAC review would cause significant changes to the format and content of part 66, as proposed in the previously published NPRM. The new proposals would result in the creation of new subparts in proposed part 66 for the aviation maintenance technician (transport) certificate and inspection authorization, the addition of a separate rating for aviation maintenance instructors, and the creation of an additional aviation repair specialist certificate.

The creation of part 66, as set forth in the previously published NPRM, followed by a series of sweeping changes to implement the additional proposals made after the completion of phase II of the ARAC regulatory review, would cause unnecessary confusion in the aviation maintenance community and hinder the implementation of the changes. Such changes can be more easily reconciled before the publication of a final rule.

Therefore, in an effort to avoid confusion in the implementation of the final rule, the FAA has determined that the changes proposed in Notice No. 94–27 and the additional changes proposed as a result of recommendations made at the completion of phase II of the regulatory review should be reconciled and consolidated into a single NPRM containing both sets of proposals.

Accordingly Notice No. 94–27, published on August 17, 1994 (59 FR 42430), is withdrawn.

Issued in Washington, DC, on June 26, 1998.

Ava L. Mims,

Acting Director, Flight Standards Service.

[FR Doc. 98–17590 Filed 7–8–98; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Proposed Advisory Circulars: 66–XX, Part 66—The New Certification Regulations for Aviation Maintenance Personnel; 66–XX, Recurrent Training for Aviation Maintenance Personnel, and 66–XX, Approval of Aviation Maintenance Technician (Transport) Training Program Providers

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of availability of proposed advisory circulars (ACs) and request for comments.

SUMMARY: This notice announces the availability of and requests comments on the following proposed ACs: 66–XX, Part 66—The New Certification Regulations for Aviation Maintenance Personnel; 66–XX, Recurrent Training for Aviation Maintenance Personnel, and 66–XX, Approval of Aviation Maintenance Technician (Transport) Training Program Providers. The FAA recently has issued a Notice of Proposed Rulemaking (NPRM) titled Revision of Certification Requirements: Mechanics and Repairmen, published elsewhere in this separate part of the **Federal Register**. That NPRM would propose the addition of part 66 of Title 14, Code of Federal Regulations (14 CFR) and make significant revisions to the certification and training requirements for aviation maintenance personnel. The proposed ACs would explain the changes proposed in the NPRM, provide guidance on complying with the recurrent training provisions of proposed part 66, and provide information to organizations seeking approval as aviation maintenance technician (transport) (AMT(T)) training providers.

DATES: Comments must be received on or before November 6, 1998.

ADDRESSES: Send all comments on the proposed ACs to: Federal Aviation Administration, Continuous Airworthiness Maintenance Division (AFS–300), Flight Standards Service, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591. Comments may be examined at the above address between 8:30 a.m. and 4:30 p.m. on weekdays, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Leslie K. Vipond, AFS–350, Continuous Airworthiness Maintenance Division, Flight Standards Service, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591, telephone (202) 267–3269.

SUPPLEMENTARY INFORMATION:

Comments Invited

A copy of each draft AC may be obtained by contracting the person named above under **FOR FURTHER INFORMATION CONTACT.** Interested persons are invited to comment on the proposed ACs by submitting such written data, views, or arguments as they may desire. Commenters should identify the AC to which comment is being made and submit comments in duplicate to the address specified above. By separate document published elsewhere in this separate part of the **Federal Register**, the FAA also is inviting interested persons to comment on the NPRM titled Revision of Certification Requirements: Mechanics and Repairmen. The FAA will consider comments on this notice and on the NPRM in deciding the final action of each. All communications received on or before the closing date for comments will be considered by the FAA before issuing the final ACs.

Discussion

Current regulations prescribing the certification and training requirements for aviation maintenance personnel do not reflect the significant technological advances that have occurred in the aviation industry, the extensive differences in maintenance skills required of currently certificated personnel, and recent enhancements in training and instructional methods. To ensure the regulations governing aviation maintenance personnel remain consistent with changes in the aviation environment, the FAA has conducted a multiphase review of the certification and training requirements that pertain to mechanics and repairmen. A complete regulatory review of the certification requirements for these airmen has not been accomplished since the recodification of the Civil Air Regulations into the Federal Aviation Regulations on August 10, 1962.

Elsewhere in this separate part of the **Federal Register**, the FAA has issued the NPRM titled Revision of Certification Requirements: Mechanics and Repairmen. The proposed rule would consolidate and clarify all certification, training, and experience requirements for aviation maintenance personnel in a newly established 14 CFR part 66. The proposed rule would create additional certificates and ratings and would modify the privileges and limitations of current certificates to respond more closely to the responsibilities of aviation maintenance personnel. In addition, the proposal would establish new training requirements that would enhance the technical capabilities of an increase the level of professionalism among aviation maintenance personnel. Further, the proposal would provide the FAA with essential demographic information that could be used to disseminate vital aviation safety and training information, thereby enhancing aviation safety. All of the proposals in the NPRM were extensively researched for the FAA by the Aviation Rulemaking Advisory Committee (ARAC) Part 65 Working Group and based on the ARCA's recommendations.

To provide the public with additional guidance on complying with the proposed requirements, the FAA has drafted three ACs. AC 66–XX, Part 66—The New Certification Regulations for Aviation Maintenance personnel, discusses the new certification and training requirements in a question-and-answer format. AC 66–XX, Recurrent Training for Aviation Maintenance Personnel, provides guidance to aviation maintenance personnel concerning the fulfillment of recurrent training requirements proposed for holders of aviation maintenance technician (AMT) and AMT(T) certificates who exercise the privileges of their certificates for compensation or hire and do not participate in maintenance and preventive maintenance training programs regulated by 14 CFR part 121, 135, or 145, AC 66–XX, Approval of Aviation Maintenance Technician (Transport) Training Program Providers, furnishes guidance to assist persons in obtaining FAA approval as AMT(T) training program providers.

The proposed ACs would become effective only after a final rule revising the certification requirements for mechanics and repairmen becomes effective.

Issued in Washington, DC, on June 26, 1998.

Ava L. Mims,

Acting Director, Flight Standards Service.

[FR Doc. 98–17591 Filed 7–8–98; 8:45 am]

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Federal Register

Thursday
July 9, 1998

Part III

Department of Health and Human Services

Administration for Children and Families

Developmental Disabilities: Final Notice of Availability of Financial Assistance and Request for Applications to Support Demonstration Projects Under the Projects of National Significance Program; Notice

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

[Program Announcement No. 93631–98–02]

Developmental Disabilities: Final Notice of Availability of Financial Assistance and Request for Applications to Support Demonstration Projects Under the Projects of National Significance Program

AGENCY: Administration on Developmental Disabilities (ADD), ACF, DHHS.

ACTION: Invitation to apply for financial assistance.

SUMMARY: The Administration on Developmental Disabilities, Administration for Children and Families, announces that applications are being accepted for funding of Fiscal Year 1998 Projects of National Significance.

This program announcement consists of five parts. Part I, the Introduction, discusses the goals and objectives of ACF and ADD. Part II provides the necessary background information on ADD for applicants. Part III describes the review process. Part IV describes the priority under which ADD requests applications for Fiscal Year 1998 funding of projects. Part V describes in detail how to prepare and submit an application.

Grants will be awarded under this program announcement subject to the availability of funds for support of these activities.

DATES: The closing date for submittal of applications under this announcement is August 10, 1998. Mailed or handcarried applications received after 4:30 p.m. on the closing date will be classified as late.

DEADLINE: Mailed applications shall be considered as meeting an announced deadline if they are received on or before the deadline time and date at the U.S. Department of Health and Human Services, ACF/Administration on Developmental Disabilities, 370 L'Enfant Promenade SW, Mail Stop 6C–462, Washington, DC 20447, Attention: Joan Rucker.

Applicants must ensure that a legibly dated U.S. Postal Service postmark or a legibly dated, machine produced postmark of a commercial mail service is affixed to the envelope/package containing the application(s). To be acceptable as proof of timely mailing, a postmark from a commercial mail service must include the logo/emblem of the commercial mail service company and must reflect the date the package was received by the commercial mail service company from the applicant. Private metered postmarks shall not be acceptable as proof of timely mailing.

Applications handcarried by applicants, applicant couriers, other representatives of the applicant, or by overnight/express mail couriers shall be considered as meeting an announced deadline if they are received on or before the deadline date, between the hours of 8:00 a.m. and 4:30 p.m., EST, at the U.S. Department of Health and Human Services, ACF/Administration on Developmental Disabilities, 370 L'Enfant Promenade SW, ACF Mail Center, 2nd Floor (near loading dock), Aerospace Center, 901 D Street, SW, Washington, DC 20024, between Monday and Friday (excluding Federal holidays). This address must appear on the envelope/package containing the application with the note "Attention: Joan Rucker". Applicants using express/overnight services should allow two working days prior to the deadline date for receipt of applications. (Applicants are cautioned that express/overnight mail services do not always deliver as agreed.) Any applications received after 4:30 p.m. on the deadline date will not be considered for competition.

ADD cannot accommodate transmission of applications by fax or through other electronic media. Therefore, applications transmitted to ADD electronically will not be accepted regardless of date or time of submission and time of receipt.

LATE APPLICATIONS: Applications which do not meet the criteria above are considered late applications. ADD shall notify each late applicant that its application will not be considered in the current competition.

EXTENSION OF DEADLINES: ADD may extend the deadline for all applicants because of acts of God such as floods and hurricanes, or when there is widespread disruption of the mails. However, if ADD does not extend the deadline for all applicants, it may not waive or extend the deadline for any applicants.

ADDRESSES: Application materials are available from Pat Laird, 370 L'Enfant Promenade, S.W., Washington, D.C. 20447, 202/690–7447; http://www.acf.dhhs.gov/programs/add; or add@acf.dhhs.gov.

FOR FURTHER INFORMATION CONTACT: Administration for Children and Families (ACF), Pat Laird, 370 L'Enfant Promenade, S.W., Washington, D.C., 20447, 202/690–7447; or add@acf.dhhs.gov.

NOTICE OF INTENT TO SUBMIT APPLICATION: If you intend to submit an application, please send a post card with the number and title of this announcement, your organization's name and address, and your contact person's name, phone and fax numbers, and e-mail address to: Administration on Developmental Disabilities, 370 L'Enfant Promenade SW., Washington, DC, 20447, Attn: Projects of National Significance.

This information will be used to determine the number of expert reviewers needed and to update the mailing list to whom program announcements are sent.

SUPPLEMENTARY INFORMATION:

Part I. General Information

A. Goals of the Administration on Developmental Disabilities

The Administration on Developmental Disabilities (ADD) is located within the Administration for Children and Families (ACF), Department of Health and Human Services (DHHS). Although different from the other ACF program administrations in the specific populations it serves, ADD shares a common set of goals that promote the economic and social well-being of families, children, individuals and communities. Through national leadership, ACF and ADD envision:

- Families and individuals empowered to increase their own economic independence and productivity;
- Strong, healthy, supportive communities having a positive impact on the quality of life and the development of children;
- Partnerships with individuals, front-line service providers, communities, States and Congress that enable solutions which transcend traditional agency boundaries;
- Services planned and integrated to improve client access;
- A strong commitment to working with Native Americans, persons with developmental disabilities, refugees and migrants to address their needs, strengths and abilities; and
- A community-based approach that recognizes and expands on the resources and benefits of diversity.

Emphasis on these goals and progress toward them will help more individuals, including people with developmental disabilities, to live productive and independent lives integrated into their communities. The Projects of National Significance Program is one means through which ADD promotes the achievement of these goals.

B. Purpose of the Administration on Developmental Disabilities

The Administration on Developmental Disabilities (ADD) is the lead agency within ACF and DHHS responsible for planning and administering programs which promote the self-sufficiency and protect the rights of persons with developmental disabilities.

The Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6000, *et seq.*) (the Act) supports and provides assistance to States and public and private nonprofit agencies and organizations to assure that individuals with developmental disabilities and their families participate in the design of and have access to culturally competent services, supports, and other assistance and opportunities that promote independence, productivity, integration and inclusion into the community.

In the Act, Congress expressly found that:

- Disability is a natural part of the human experience that does not diminish the right of individuals with developmental disabilities to enjoy the opportunity for independence, productivity, integration and inclusion into the community;
- Individuals whose disabilities occur during their developmental period frequently have severe disabilities that are likely to continue indefinitely;
- Individuals with developmental disabilities often require lifelong specialized services and assistance, provided in a coordinated and culturally competent manner by many agencies, professionals, advocates, community representatives, and others to eliminate barriers and to meet the needs of such individuals and their families;

The Act further established as the policy of the United States:

- Individuals with developmental disabilities, including those with the most severe developmental disabilities, are capable of achieving independence, productivity, integration and inclusion into the community, and often require the provision of services, supports and other assistance to achieve such;
- Individuals with developmental disabilities have competencies, capabilities and personal goals that should be recognized, supported, and encouraged, and any assistance to such individuals should be provided in an individualized manner, consistent with the unique strengths, resources, priorities, concerns, abilities, and capabilities of the individual;
- Individuals with developmental disabilities and their families are the primary decision makers regarding the services and supports such individuals and their families receive; and play decision making roles in policies and programs that affect the lives of such individuals and their families; and
- It is in the nation's interest for people with developmental disabilities to be employed, and to live conventional and independent lives as a part of families and communities.

Toward these ends, ADD seeks: to enhance the capabilities of families in assisting people with developmental disabilities to achieve their maximum potential; to support the increasing ability of people with developmental disabilities to exercise greater choice and self-determination; to engage in leadership activities in their communities; as well as to ensure the protection of their legal and human rights.

The four programs funded under the Act are:

- Federal assistance to State developmental disabilities councils;
- State system for the protection and advocacy of individuals rights;
- Grants to University Affiliated Programs for interdisciplinary training, exemplary services, technical assistance, and information dissemination; and
- Grants for Projects of National Significance.

C. Statutory Authorities Covered Under This Announcement

The Developmental Disabilities Assistance and Bill of Rights Act of 1996, 42 U.S.C. 6000, *et. seq.* The Projects of National Significance is Part E of the Developmental Disabilities Assistance and Bill of Rights Act of 1996, 42 U.S.C. 6081, *et. seq.*

Part II. Background Information for Applicants

A. Description of Projects of National Significance

Under Part E of the Act, grants and contracts are awarded for projects of national significance that support the development of national and State policy to enhance the independence, productivity, and integration and inclusion of individuals with developmental disabilities through:

- Data collection and analysis;
- Technical assistance to enhance the quality of State developmental disabilities councils, protection and advocacy systems, and university affiliated programs; and
- Other projects of sufficient size and scope that hold promise to expand or improve opportunities for people with developmental disabilities, including:

—Technical assistance for the development of information and referral systems;
—Educating policy makers;
—Federal interagency initiatives;
—The enhancement of participation of minority and ethnic groups in public and private sector initiatives in developmental disabilities;
—Transition of youth with developmental disabilities from school to adult life; and
—Special pilots and evaluation studies to explore the expansion of programs under part B (State developmental disabilities councils) to individuals with severe disabilities other than developmental disabilities.

B. Comments on FY 1998 Proposed Priority Areas

ADD received 39 letters in response to the public comment notice. Commentary was from the following sources:

- Advocacy agencies, including national organizations and associations, national advocacy groups and State/local advocacy groups;
- Service organizations, including agencies that provide services for individuals with developmental disabilities as well as providing advocacy services on behalf of a particular disability, including developmental disabilities councils;
- Educational systems, including schools, colleges, and universities, programs located within a university setting and University Affiliated Programs;
- Private agencies, including national, State, and local nonprofit organizations;
- Government agencies, including Federal, State, county, and local government agencies; and
- Private individuals.

Comments ranged from requests for copies of the final application solicitation, to general support, to informative, clarifying responses for this year's proposed funding priorities and recommendations for other priority areas. The vast majority supported and expanded upon what we proposed in the announcement. Other comments relate specifically to the program goals and priorities of the particular agencies who responded to the announcement.

The comments helped highlight the concerns of the developmental disabilities field and have been used in refining the final priority areas.

Comment: 10 letters recommended additional or other funding priorities for FY 1998. Suggestions included projects addressing: health care issues; housing; personal assistance/respite services;

employment; youth-related issues; waiting lists; adults living with aging parents; basic supports for jobs and other on-going supports; transportation; and research issues related to existing PNS projects. Six letters specifically expressed that the proposed areas were not critical areas in their states in the field of developmental disabilities, and did not relate to ADD's efforts in meeting the requirements of the Government Performance and Results Act (GPRA).

Response: ADD appreciates the comments it receives concerning other areas needing attention. Comments refine our understanding of the realities occurring with individuals with developmental disabilities and their families, and they are often a sobering reminder of the unfulfilled goals that require our collective attention as a society. The comment process expands our awareness level and provides the basis for new priority areas.

Some of the areas suggested as priorities have been funded previously or are currently funded projects. Employment and the basic supports necessary to perform a job were the objectives of our six natural support projects which ended last year; strategies for securing first jobs, especially by young people, are two projects that will end this year. ADD is also collaborating with the U.S. Department of Education on a major interagency employment initiative concerning the development of model systems change approaches. In June, ADD was a co-sponsor of the first national forum on careers in the arts and disability. Also, three of the proposed areas have implications for employment, that is, teenage pregnancy prevention, healthy lifestyles, and domestic violence.

In the area of health and related issues, ADD funded five personal assistance services projects; and is funding both a clearinghouse on managed care and a project on child abuse and neglect. Three of the proposed areas will have direct impact on the health care system: healthy lifestyles is concerned with maintaining health and preventing secondary disabilities and improving access to health care; teenage pregnancy prevention will require interventions involving health care personnel; and domestic violence prevention efforts must deal in part with the individual's psyche and self-esteem.

The majority of comments received were very supportive of the five proposed funding areas; many stated that the issues within these areas have tremendous impact on the self-determination and productivity of people with developmental disabilities and have received limited attention at state and national levels. The purpose of the Projects of National Significance program is not only to provide technical assistance to the developmental disabilities councils, the protection and advocacy systems, and the university affiliated programs, but to support projects "that hold promise to expand or improve opportunities for people with developmental disabilities." Representing only 4% of ADD's federal dollars, these PNS funds have initiated cutting edge projects, such as the "Home of Your Own" housing initiative, that are at the forefront of the developmental disabilities field challenging traditional thinking and practices. These priority areas directly relate to ADD's outcomes contained in its "Roadmap to the Future," our plan for implementing GPRA: (1) All are intended to increase community support and promote self-determination, (2) The priorities on healthy lifestyle, future partnerships by minority institutions and consumer organizations and teenage pregnancy prevention will increase employment opportunities and/or promote quality health care service delivery; and the priorities on future partnerships and teenage pregnancy prevention will help eliminate educational disparities.

Part III. The Review Process

A. Eligible Applicants

Before applications under this Announcement are reviewed, each will be screened to determine that the applicant is eligible for funding as specified under the selected priority area. Applications from organizations which do not meet the eligibility requirements for the priority area will not be considered or reviewed in the competition, and the applicant will be so informed.

Only public or non-profit private entities, not individuals, are eligible to apply under any of the priority areas. All applications developed jointly by more than one agency or organization must identify only one organization as the lead organization and official applicant. The other participating agencies and organizations can be included as co-participants, subgrantees or subcontractors.

Nonprofit organizations must submit proof of nonprofit status in their applications at the time of submission. One means of accomplishing this is by providing a copy of the applicant's listing in the Internal Revenue Service's most recent list of tax-exempt organizations described in section 501(c)(3) of the IRS code or by providing a copy of the currently valid IRS tax exemption certificate, or by providing a copy of the articles of incorporation bearing the seal of the State in which the corporation or association is domiciled.

ADD cannot fund a nonprofit applicant without acceptable proof of its nonprofit status.

B. Review Process and Funding Decisions

Timely applications under this Announcement from eligible applicants received by the deadline date will be reviewed and scored competitively. Experts in the field, generally persons from outside of the Federal government, will use the appropriate evaluation criteria listed later in this Part to review and score the applications. The results of this review are a primary factor in making funding decisions.

ADD reserves the option of discussing applications with, or referring them to, other Federal or non-Federal funding sources when this is determined to be in the best interest of the Federal government or the applicant. It may also solicit comments from ADD Regional Office staff, other Federal agencies, interested foundations, national organizations, specialists, experts, States and the general public. These comments, along with those of the expert reviewers, will be considered by ADD in making funding decisions.

In making decisions on awards, ADD will consider whether applications focus on or feature: services to culturally diverse or ethnic populations among others; a substantially innovative strategy with the potential to improve theory or practice in the field of human services; a model practice or set of procedures that holds the potential for replication by organizations administering or delivering of human services; substantial involvement of volunteers; substantial involvement (either financial or programmatic) of the private sector; a favorable balance between Federal and non-Federal funds available for the proposed project; the potential for high benefit for low Federal investment; a programmatic focus on those most in need; and/or substantial involvement in the proposed project by national or community foundations.

This year, 5 points will be awarded in scoring for any project that includes partnership and collaboration with the 112 Empowerment Zones/Enterprise Communities.

To the greatest extent possible, efforts will be made to ensure that funding

decisions reflect an equitable distribution of assistance among the States and geographical regions of the country, rural and urban areas, and ethnic populations. In making these decisions, ADD may also take into account the need to avoid unnecessary duplication of effort.

C. Evaluation Process

Using the evaluation criteria below, a panel of at least three reviewers (primarily experts from outside the Federal government) will review the applications. To facilitate this review, applicants should ensure that they address each minimum requirement in the priority area description under the appropriate section of the Program Narrative Statement.

Reviewers will determine the strengths and weaknesses of each application in terms of the evaluation criteria listed below, provide comments, and assign numerical scores. The point value following each criterion heading indicates the maximum numerical weight that each section may be given in the review process.

D. Structure of Priority Area Descriptions

The priority area description is composed of the following sections:

- Eligible Applicants: This section specifies the type of organization which is eligible to apply under the particular priority area. Specific restrictions are also noted, where applicable.
- Purpose: This section presents the basic focus and/or broad goal(s) of the priority area.
- Background Information: This section briefly discusses the legislative background as well as the current state-of-the-art and/or current state-of-practice that supports the need for the particular priority area activity. Relevant information on projects previously funded by ACF and/or other State models are noted, where applicable.
- Evaluation Criteria: This section presents the basic set of issues that must be addressed in the application. Typically, they relate to need for assistance, results expected, project design, and organizational and staff capabilities. Inclusion and discussion of these items is important since the information provided will be used by the reviewers in evaluating the application against the evaluation criteria.
- Minimum Requirements for Project Design: This section presents the basic set of issues that must be addressed in the application. Typically, they relate to project design, evaluation, and community involvement. This section also asks for specific information on the proposed project. Inclusion and discussion of these items is important since they will be used by the reviewers to evaluate the applications against the evaluation criteria. Project products, continuation of the project after Federal support ceases, and dissemination/utilization activities, if appropriate, are also addressed.
- Project Duration: This section specifies the maximum allowable length of the project period; it refers to the amount of time for which Federal funding is available.
- Federal Share of Project Costs: This section specifies the maximum amount of Federal support for the project.
- Matching Requirement: This section specifies the minimum non-Federal contribution, either cash or in-kind match, required.
- Anticipated Number of Projects To Be Funded: This section specifies the number of projects ADD anticipates funding under the priority area.
- CFDA: This section identifies the Catalog of Federal Domestic Assistance (CFDA) number and title of the program under which applications in this priority area will be funded. This information is needed to complete item 10 on the SF 424.

Please note that applications under this Announcement that do not comply with the specific priority area requirements in the section on "Eligible Applicants" will not be reviewed.

Applicants under this Announcement must clearly identify the specific priority area under which they wish to have their applications considered, and tailor their applications accordingly. Experience has shown that an application which is broader and more general in concept than outlined in the priority area description is less likely to score as well as an application more clearly focused on, and directly responsive to, the concerns of that specific priority area.

E. Available Funds

ADD intends to award new grants resulting from this announcement during the fourth quarter of fiscal year 1998, subject to the availability of funding. The size of the awards will vary. Each priority area description includes information on the maximum Federal share of the project costs and the anticipated number of projects to be funded.

The term "budget period" refers to the interval of time (usually 12 months) into which a multi-year period of assistance (project period) is divided for budgetary and funding purposes. The term "project period" refers to the total time a project is approved for support, including any extensions.

Where appropriate, applicants may propose shorter project periods than the maximums specified in the various priority areas. Non-Federal share contributions may exceed the minimums specified in the various priority areas.

For multi-year projects, continued Federal funding beyond the first budget period, but within the approved project period, is subject to the availability of funds, satisfactory progress of the grantee and a determination that continued funding would be in the best interest of the Government.

F. Grantee Share of Project Costs

Grantees must match $1 for every $3 requested in Federal funding to reach 25% of the total approved cost of the project. The total approved cost of the project is the sum of the ACF share and the non-Federal share. The non-Federal share may be met by cash or in-kind contributions, although applicants are encouraged to meet their match requirements through cash contributions. Therefore, a project requesting $100,000 in Federal funds (based on an award of $100,000 per budget period) must include a match of at least $33,333 (total project cost is $133,333, of which $33,333 is 25%).

An exception to the grantee cost-sharing requirement relates to applications originating from American Samoa, Guam, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands. Applications from these areas are covered under Section 501(d) of P. L. 95–134, which requires that the Department waive "any requirement for local matching funds for grants under $200,000."

The applicant contribution must generally be secured from non-Federal sources. Except as provided by Federal statute, a cost-sharing or matching requirement may not be met by costs borne by another Federal grant. However, funds from some Federal programs benefitting Tribes and Native American organizations have been used to provide valid sources of matching funds. If this is the case for a Tribe or Native American organization submitting an application to ADD, that organization should identify the programs which will be providing the funds for the match in its application. If the application successfully competes for PNS grant funds, ADD will determine whether there is statutory authority for this use of the funds. The Administration for Native Americans and the DHHS Office of General Counsel

will assist ADD in making this determination.

G. General Instructions for the Uniform Project Description

The following ACF Uniform Project Description (UPD) has been approved under OMB Control Number 0970–0139.

1. Introduction: Applicants are required to submit a full project description and must prepare the project description statement in accordance with the following instructions.

2. Project summary/abstract: Provide a summary of the project description (a page or less) with reference to the funding request. Clearly mark this separate page with the applicant name as shown in item 5 of the SF 424, the priority area number as shown at the top of the SF 424, and the title of the project as shown in item 11 of the SF 424. The summary description should not exceed 300 words. These 300 words become part of the computer database on each project.

Care should be taken to produce a summary description which accurately and concisely reflects the proposal. It should describe the objectives of the project, the approaches to be used and the outcomes expected. The description should also include a list of major products that will result from the proposed project, such as software packages, materials, management procedures, data collection instruments, training packages, or videos (please note that audiovisuals should be closed captioned). The project summary description, together with the information on the SF 424, will constitute the project "abstract." It is the major source of information about the proposed project and is usually the first part of the application that the reviewers read in evaluating the application.

3. Objectives and Need for Assistance: Clearly identify the physical, economic, social, financial, institutional and/or other problem(s) requiring a solution. The need for assistance must be demonstrated and the principal and subordinate objectives of the project must be clearly stated; supporting documentation, such as letters of support and testimonies from concerned interests other than the applicant, may be included. Any relevant data based on planning studies should be included or referred to in the endnotes/footnotes. Incorporate demographic data and participant/beneficiary information, as needed. The application must identify the precise location of the project and area to be served by the proposed project. Maps and other graphic aids should be attached.

4. Results or Benefits Expected: Identify the results and benefits to be derived; the extent to which they are consistent with the objectives of the application, and the extent to which the application indicates the anticipated contributions to policy, practice, theory and/or research. The extent to which the proposed project costs are reasonable in view of the expected results.

5. Approach: Outlines a plan of action which describes the scope and detail of how the proposed work will be accomplished. Account for all functions or activities identified in the application. Cites factors which might accelerate or decelerate the work, and state your reasons for taking the proposed approach rather than others. Describe any unusual features of the project such as design or technological innovations, reductions in cost or time, or extraordinary social and community involvements.

Provide quantitative monthly or quarterly projections of the accomplishments to be achieved for each function or activity. When accomplishments cannot be quantified by activity or function, list them in chronological order to show the schedule of accomplishments and their target dates.

Identify the kinds of data to be collected, maintained, and/or disseminated. Note that clearance from the U.S. Office of Management and Budget might be needed prior to a "collection of information" that is "conducted or sponsored" by ACF. List organizations, cooperating entities, consultants, or other key individuals who will work on the project along with a short description of the nature of their effort or contribution.

Discuss the criteria to be used to evaluate the results, and explain the methodology that will be used to determine if the needs identified and discussed are being met and if the results and benefits identified are being achieved.

6. Organization Profile: Provide information on the applicant organization(s) and cooperating partners such as organizational charts, financial statements, audit reports or statements from CPAs/Licensed Public Accountants, Employer Identification Numbers, names of bond carriers, contact persons and telephone numbers, child care licenses and other documentation of professional accreditation, information on compliance with Federal/State/local government standards, documentation of experience in the program area, and other pertinent information. Any non-profit organization submitting an application must submit proof of its non-profit status in its application at the time of submission. The non-profit agency can accomplish this by providing a copy of the applicant's listing in the Internal Revenue Service's (IRS) most recent list of tax-exempt organizations described in Section 501(c)(3) of the IRS code, or by providing a copy of the currently valid IRS tax exemption certificate, or by providing a copy of the articles of incorporation bearing the seal of the State in which the corporation or association is domiciled. The application identifies the background of the project director/principal investigator and key project staff (including name, address, training, educational background and other qualifying experience) and the experience of the organization to demonstrate the applicant's ability to effectively and efficiently administer this project. The application describes the relationship between this project and other work planned, anticipated or under way by the applicant which is being supported by Federal assistance. This section should consist of a brief (two to three pages) background description of how the applicant organization (or the unit within the organization that will have responsibility for the project) is organized, the types and quantity of services it provides, and/or the research and management capabilities it possesses. It may include descriptions of any current or previous relevant experience, or describe the competence of the project team and its demonstrated ability to produce a final product that is readily comprehensible and usable. An organization chart showing the relationship of the project to the current organization should be included.

G. Cooperation in Evaluation Efforts

Grantees funded by ADD may be requested to cooperate in evaluation efforts funded by ADD. The purpose of these evaluation activities is to learn from the combined experience of multiple projects funded under a particular priority area.

H. Closed Captioning for Audiovisual Efforts

Applicants are encouraged to include "closed captioning" in the development of any audiovisual products.

Part IV. Fiscal Year 1998 Priority Areas for Projects of National Significance—Description and Requirements

The following section presents the final priority areas for Fiscal Year 1998 Projects of National Significance (PNS) and solicits the appropriate applications.

Fiscal Year 1998 Priority Area 1: Unequal Protection Under the Law, Invisible Victims of Crime—Individuals With Developmental Disabilities

• Eligible Applicants: State agencies, public or private nonprofit organizations, institutions or agencies, including a consortia of some or all of the above.

• Purpose: ADD is interested in awarding grant funds that will facilitate the elimination of physical and attitudinal barriers experienced by individuals with developmental disabilities when they encounter the criminal justice system as victims of crime. These projects should provide direction and assistance to public and private entities serving victims of crime on their responsibilities under the Americans with Disabilities Act. Agencies involved with people with developmental disabilities have a major role to play in the prevention and detection of victimization, and criminal prosecution. This is crucial to ensuring citizens with developmental and other disabilities are treated equally under the criminal justice system.

• Background Information: Persons with developmental disabilities have a significantly higher risk of becoming crime victims than persons without disabilities. Differences in victimization rates are most pronounced for the crimes of sexual assault and robbery. There is also a high probability of repeat victimization, because over time those who victimize individuals with disabilities come to regard them as easy prey—where crimes can be committed against them with little chance of detection or punishment.

A recent analysis combining these victimization probabilities with data from the U.S. National Crime Victimization Survey estimates that roughly 5 million serious crimes are committed against persons with developmental disabilities in the U.S. each year.

Research shows that offenders seek victims with disabilities specifically because they are considered to be vulnerable and unable to seek help or report the crime. More than half of the crimes committed against victims with developmental disabilities are never reported to justice authorities, and when they are reported, they are often handled administratively rather than through criminal prosecution. Administrative actions such as licensing sanctions against a group home or the firing of the suspect are common. Such administrative sanctions represent a separate and unequal "justice" system.

When crimes are reported, there are lower rates of police follow-up, prosecution and convictions. When convictions occur, studies show that sentences for crimes committed against individuals with disabilities are lighter, particularly for sexual assault. Possible explanations offered for this are the difficulty of investigating these cases, lack of special police training, no provision of reasonable accommodations for victims, and the negative stereotype held by some toward people with developmental disabilities.

This is ADD's second initiative in the area of criminal justice which we began three years ago. The two funded projects are:

Austin Resource Center for Independent Living (Jeri Houchins, 512/255–1465)
Public Interest Law Center of Philadelphia (Barbara Ransom, 215/627–7100)

These successful projects have contributed to our knowledge base about the enormity of the problem, prompting our continued focus on additional aspects of the problem.

• Minimum Requirements for Project Design: To build on these and other efforts and to further foster the equal treatment of individuals with developmental disabilities as victims of crime ADD would support activities that include the following.

• Information and training of agents of the criminal justice system and health and human services providers including, law enforcement, community services, health, legal and others on appropriate responses, methods and strategies, and effective accommodations per ADA for people with developmental disabilities, especially cognitive and speech disabilities;

• Community public awareness and training about domestic violence, sexual assault, and other crimes committed against people who have developmental disabilities;

• Data collection of anecdotal information regarding the incidence of crimes, the types of crime, the perpetrators of crime, and the settings where crimes occur against people with developmental disabilities;

• Training of people with developmental disabilities about their legal rights, advocacy, and community resources;

• Developing appropriate training materials and curricula;

• Promoting understanding of victims' issues specific to people with developmental disabilities;

• Research on the nature and extent of crimes committed against this population, risk factors associated with these victims, how the justice system responds to these crimes, and other topics;

• Establishing collaborative partnerships and networks among communities and systems providers; and

• Describe measurable outcomes.

As a general guide, ADD will expect to fund only those proposals for projects that incorporate the following elements:

• Consumer/self-advocate orientation and participation.

• Key project personnel with direct life experience with living with a disability.

• Strong advisory components that consist of a majority of individuals with disabilities and a structure where individuals with disabilities make real decisions that determine the outcome of the grant.

• Research reflecting the principles of participatory action.

• Cultural competency.

• A description of how individuals with disabilities and their families will be involved in all aspects of the design, implementation, and evaluation of the project.

• Attention to unserved and inadequately served individuals, having a range of disabilities from mild to severe, from multicultural backgrounds, rural and inner-city areas, migrant, homeless, and refugee families, with severe disabilities.

• Compliance with the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973 as amended by the Rehabilitation Act amendments of 1992 (P.L. 102–569).

• Collaboration through partnerships and coalitions.

• Development of the capacity to communicate and disseminate information and technical assistance through e-mail and other effective, affordable, and accessible forms of electronic communication.

• Evaluation Criteria: The four criteria that follow will be used to review and evaluate each application under this priority area. Each of these criterion should be addressed in the project description section of the application. The point values indicate the maximum numerical weight each criterion will be accorded in the review

process. The specific information to be included under each of these headings is described in Section G of Part II, General Instructions for the Uniform Project Description.

Criterion 1: Objectives and Need for Assistance (20 points).

Criterion 2: Results or Benefits Expected (20 points).

Criterion 3: Approach (35 points).

Criterion 4: Organization Profile (25 points).

• Project Duration: This announcement is soliciting applications for project periods up to three years under this priority area. Awards, on a competitive basis, will be for a one-year budget period, although project periods may be for three years. Applications for continuation grants funded under this priority area beyond the one-year budget period, but within the three-year project period, will be entertained in subsequent years on a non-competitive basis, subject to the availability of funds, satisfactory progress of the grantee, and determination that continued funding would be in the best interest of the Government.

• Federal Share of Project Costs: The maximum Federal share is not to exceed $100,000 for the first 12-month budget period or a minimum of $300,000 for a three-year project period.

• Matching Requirement: Grantees must match $1 for every $3 requested in Federal funding to reach 25% of the total approved cost of the project. The total approved cost of the project is the sum of the ACF share and the non-Federal share. The non-Federal share may be met by cash or in-kind contributions, although applicants are encouraged to meet their match requirements through cash contributions. Therefore, a project requesting $100,000 in Federal funds (based on an award of $100,000 per budget period) must include a match of at least $33,333 (the total project cost is $133,333, of which $33,333 is 25%).

• Anticipated Number of Projects to be Funded: It is anticipated that up to five (5) projects will be funded. Subject to availability of additional resources in FY 1999 and the number of acceptable applications received as a result of this program announcement, the ADD Commissioner may elect to select recipients for the FY 1999 cohort of programs out of the pool of applications submitted for FY 1998 funds.

• CFDA: ADD's CFDA (Code of Federal Domestic Assistance) number is 93.631—Developmental Disabilities—Projects of National Significance. This information is needed to complete item 10 on the SF 424.

Fiscal Year 1998 Priority Area 2: Domestic Violence and Women With Developmental Disabilities—The Hidden Violence

• Eligible Applicants: State agencies, public or private nonprofit organizations, institutions or agencies, including a consortia of some or all of the above.

• Purpose: Under this priority, ADD will fund model demonstration projects that address the needs of women with developmental disabilities, especially cognitive disabilities, who are or have experienced intimate/domestic violence. Any project should have as its goals not only the safety of these women, but their ability to be self-determining over their lives.

• Background Information: In a special report, "Violence Against Women: Estimates from the Redesigned Survey", which presented 1995 data from the National Crime Victimization Survey, it was reported that women were attacked about six times more often by offenders with whom they had an intimate relationship than were male violence victims during 1992 and 1993. During each year women were the victims of more than 4.5 million violent crimes, including approximately 500,000 rapes or other sexual assaults. Women from 19–29 years of age were more likely than women of other ages to be victimized by an intimate party. Women of all races were about equally vulnerable to attacks. However, women in families with incomes below $10,000 per year were more likely than other women to be violently attacked.

Persons with developmental disabilities have a 4 to 10 times higher risk of becoming crime victims than persons without disabilities. Differences in victimization rates are pronounced for the crime of sexual assault.

The rates of sexual assault on this population is very alarming. One study found that 83% of women and 32% of men with developmental disabilities in their sample had been sexually assaulted. Other studies have found from 86%–91% of women in their samples had been sexually assaulted. Another study found that of those who were sexually assaulted, 50% had been assaulted 10 or more times.

Although women with disabilities are at higher risk for all types of violence, there are no dedicated resources being devoted on a Federal level to decrease or eliminate the violence experienced by these women. The U.S. Department of Justice has just begun to consider people with disabilities in general as targets of violence in regard to hate crimes and victim's assistance.

• Minimum Requirements for Project Design: This issue will require collaborative partnership between the criminal justice system, domestic violence service entities, and disability/advocacy organizations to develop strategies, resources and awareness that will support the capabilities and community participation of women with developmental disabilities. It is ADD's expectation that these women will be actively involved in the design and implementation of activities of this effort. Any project should include the following components:

• Development of a victim safety planning process that is tailored to respond to abuse that has occurred;

• Training of adult protective and crisis services program staff on working with women having developmental disabilities (especially cognitive and speech disabilities), providing reasonable accommodations, developing backup personal assistant support, and methods to outreach;

• Training of women with developmental disabilities, particularly young women and girls, about abusive behaviors and available services ;

• Strategies that will inform and encourage the reporting of violence by not only the victim but by family members, caregivers, and others who provide services;

• Training of criminal justice and health care professionals in appropriate protocols, techniques, methods which foster the legal and health needs of women with developmental disabilities;

• Creation of manuals, curricula, best practices materials targeted at professionals in the various systems and a plan of dissemination;

• Data collection on the types of violence committed, characteristics of the victim, the settings where crimes occur, the nature of the offender;

• Approaches that encourage the identification and demonstration of strategies and policies that support the capacities of these women to express control and self-determination in their management of violence;

• Community public awareness and training about domestic violence, sexual assault, and other abusive behaviors committed against women who have developmental disabilities;

• Strategies for the deterrence and prevention of caregiver violence which includes family members, friends, paid providers; and

• Describe measurable outcomes.

As a general guide, ADD will expect to fund only those proposals for projects that incorporate the following elements:

• Consumer/self-advocate orientation and participation.

• Key project personnel with direct life experience with living with a disability.

• Strong advisory components that consist of a majority of individuals with disabilities and a structure where individuals with disabilities make real decisions that determine the outcome of the grant.

• Research reflecting the principles of participatory action.

• Cultural competency.

• A description of how individuals with disabilities and their families will be involved in all aspects of the design, implementation, and evaluation of the project.

• Attention to unserved and inadequately served individuals, having a range of disabilities from mild to severe, from multicultural backgrounds, rural and inner-city areas, migrant, homeless, and refugee families, with severe disabilities.

• Compliance with the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973 as amended by the Rehabilitation Act amendments of 1992 (P.L. 102–569).

• Collaboration through partnerships and coalitions.

• Development of the capacity to communicate and disseminate information and technical assistance through e-mail and other effective, affordable, and accessible forms of electronic communication.

• Evaluation Criteria: The four criteria that follow will be used to review and evaluate each application under this priority area. Each of these criterion should be addressed in the project description section of the application. The point values indicate the maximum numerical weight each criterion will be accorded in the review process. The specific information to be included under each of these headings is described in Section G of Part III, General Instructions for the Uniform Project Description.

Criterion 1: Objectives and Need for Assistance (20 points).

Criterion 2: Results or Benefits Expected (20 points)

Criterion 3: Approach (35 points).

Criterion 4: Organization Profile (25 points).

• Project Duration: This announcement is soliciting applications for project periods up to three years under this priority area. Awards, on a competitive basis, will be for a one-year budget period, although project periods may be for three years. Applications for continuation grants funded under this priority area beyond the one-year budget period, but within the three-year project period, will be entertained in subsequent years on a non-competitive basis, subject to the availability of funds, satisfactory progress of the grantee, and determination that continued funding would be in the best interest of the Government.

• Federal Share of Project Costs: The maximum Federal share is not to exceed $100,000 for the first 12-month budget period or a minimum of $300,000 for a three-year project period.

• Matching Requirement: Grantees must match $1 for every $3 requested in Federal funding to reach 25% of the total approved cost of the project. The total approved cost of the project is the sum of the ACF share and the non-Federal share. The non-Federal share may be met by cash or in-kind contributions, although applicants are encouraged to meet their match requirements through cash contributions. Therefore, a project requesting $100,000 in Federal funds (based on an award of $100,000 per budget period) must include a match of at least $33,333 (the total project cost is $133,333, of which your $33,333 share is 25%).

• Anticipated Number of Projects to be Funded: It is anticipated that up to five (5) projects will be funded. Subject to availability of additional resources in FY 1999 and the number of acceptable applications received as a result of this program announcement, the ADD Commissioner may elect to select recipients for the FY 1999 cohort of programs out of the pool of applications submitted for FY 1998 funds.

• CFDA: ADD's CFDA (Code of Federal Domestic Assistance) number is 93.631—Developmental Disabilities—Projects of National Significance. This information is needed to complete item 10 on the SF 424.

Fiscal Year 1998 Priority Area 3: Healthy Lifestyles and Recreation—Factors Contributing Towards a Quality of Life for Persons With Developmental Disabilities

• Eligible Applicants: State agencies, public or private nonprofit organizations, institutions or agencies, including a consortia of some or all of the above.

• Purpose: The prevention or alleviation of regressive symptoms that prevent adults with developmental disabilities from functioning at their maximum level and the barriers that hinder their inclusion into their communities is the primary focus of projects that ADD would fund under this priority. Maintaining healthy lifestyles that reinforce independence and choice is an important theme that should be reflected in any project.

• Background Information: As more and more people with disabilities in general are having increased life spans due to advancements in medical technologies and innovative scientific research, attention must be given to healthy lifestyles and methods to reduce the effects of aging with a disability. Americans with disabilities strive for equal access to opportunities, programs and services that enable them to experience a quality lifestyle comparable to other Americans and to maintain their independence and function. As some individuals with certain disabilities have experienced physical weaknesses, loss of function, and pain, it has raised questions about what constitutes optimal levels of physical activity or exercise, dietary requirements, and therapies that are helpful in sustaining their standard of life.

A recent ADD report, "Aging and Cerebral Palsy: The Critical Needs", based on a roundtable meeting, articles, research papers, and other publications summarized the major issues of concern of people with cerebral palsy. Some of the issues expressed were related to (1) exercise—inability to determine what type of exercise(s) is best suited to maintain cardio-pulmonary conditioning, physical strength, bone density, coordination, joint mobility and weight control; (2) women's issues—inability to find accurate information and competent medical care (including counseling) when they were younger such as reproductive health care, and as they are aging on menopause; (3) quality of medical care—few medical professionals, especially dentists, are familiar with cerebral palsy, making it difficult to obtain treatment; (4) emotional and psychological issues—the aging process begins early as overstressed muscles and joints wear out relatively quickly, and people in their 30s and 40s are often ill-equipped to deal with problems that their peers will often not encounter for two more decades; and (5) managed care—these organizations have a mixed history of providing appropriate and timely services to individuals with disabilities, have many financial incentives that may not be congruent with the needs of individuals with disabilities or the philosophy of the disability rights movement, and long-term supports and services may be at particular risk in a managed care environment. Some of these issues are transferable to other types of disabilities. For instance, in one study on breast and cervical cancer screening it was reported that women with disabilities tend to be less likely

than women without disabilities to receive pelvic exams on a regular basis, and women with more severe functional limitations are significantly less likely to do so. Women with physical disabilities are at a higher risk for delayed diagnosis of breast and cervical cancer, primarily for reasons of environmental, attitudinal, and informational barriers. There are few studies on women with mental retardation or other cognitive disabilities.

At this time there is little research that can provide answers to these questions. Yet the concerns cannot be ignored. There are an estimated 54 million people with a disability within the United States, almost half of whom are considered to have a severe disability. An estimated 4% age 5 and over need personal assistance with one or more activities; over 5.8 million people need assistance in "instrumental activities of daily living" (IADL), while 3.4 million need assistance in "activities of daily living" (ADL). As one ages, activity limitations increase along with the need for assistance. Reviewing this data from a purely economic standpoint it makes sense to dedicate some resources to the prevention or alleviation of regressive symptoms that prevent individuals with developmental and other disabilities from functioning at their maximum level.

• Minimum Requirements for Project Design: ADD is particularly interested in supporting projects which include the following:

• Partnerships between consumer/advocacy organizations, research foundations, physical education/recreation fields, sports/athletic associations, health care entities, and others such as aging to develop and test guidelines for exercise regimens, to examine alternative forms of medicine, foster training programs, coordinate and disseminate consumer education materials and other activities that lead to personal wellness;

• Self-help models that address those individuals with developmental disabilities living in rural areas;

• Research and dissemination on factors that contribute towards personal wellness as defined by individuals with developmental disabilities, particularly with cognitive disabilities;

• Innovative strategies for broader distribution and access to specialized equipment for use by people with developmental disabilities who are non-athletes as a means to exercise or for leisure, and the dissemination of this information to generic fitness centers;

• Promotion and technical assistance on compliance by fitness and recreational programs with the Americans with Disabilities Act; and

• Describe measurable outcomes.

As a general guide, ADD will expect to fund only those proposals for projects that incorporate the following elements:

• Consumer/self-advocate orientation and participation.

• Key project personnel with direct life experience with living with a disability.

• Strong advisory components that consist of a majority of individuals with disabilities and a structure where individuals with disabilities make real decisions that determine the outcome of the grant.

• Research reflecting the principles of participatory action.

• Cultural competency.

• A description of how individuals with disabilities and their families will be involved in all aspects of the design, implementation, and evaluation of the project.

• Attention to unserved and inadequately served individuals, having a range of disabilities from mild to severe, from multicultural backgrounds, rural and inner-city areas, migrant, homeless, and refugee families, with severe disabilities.

• Compliance with the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973 as amended by the Rehabilitation Act amendments of 1992 (P.L. 102–569).

• Collaboration through partnerships and coalitions.

• Development of the capacity to communicate and disseminate information and technical assistance through e-mail and other effective, affordable, and accessible forms of electronic communication.

• Evaluation Criteria: The four criteria that follow will be used to review and evaluate each application under this priority area. Each of these criterion should be addressed in the project description section of the application. The point values indicate the maximum numerical weight each criterion will be accorded in the review process. The specific information to be included under each of these headings is described in Section G of Part III, General Instructions for the Uniform Project Description.

Criterion 1: Objectives and Need for Assistance (20 points).

Criterion 2: Results or Benefits Expected (20 points).

Criterion 3: Approach (35 points).

Criterion 4: Organization Profile (25 points).

• Project Duration: This announcement is soliciting applications for project periods up to three years under this priority area. Awards, on a competitive basis, will be for a one-year budget period, although project periods may be for three years. Applications for continuation grants funded under this priority area beyond the one-year budget period, but within the three-year project period, will be entertained in subsequent years on a non-competitive basis, subject to the availability of funds, satisfactory progress of the grantee, and determination that continued funding would be in the best interest of the Government.

• Federal Share of Project Costs: The maximum Federal share is not to exceed $100,000 for the first 12-month budget period or a minimum of $300,000 for a three-year project period.

• Matching Requirement: Grantees must match $1 for every $3 requested in Federal funding to reach 25% of the total approved cost of the project. The total approved cost of the project is the sum of the ACF share and the non-Federal share. The non-Federal share may be met by cash or in-kind contributions, although applicants are encouraged to meet their match requirements through cash contributions. Therefore, a project requesting $100,000 in Federal funds (based on an award of $100,000 per budget period) must include a match of at least $33,333 (total project cost is $133,333, of which $33,333 is 25%).

• Anticipated Number of Projects to be Funded: It is anticipated that up to five (5) projects will be funded. Subject to availability of additional resources in FY 1999 and the number of acceptable applications received as a result of this program announcement, the ADD Commissioner may elect to select recipients for the FY 1999 cohort of programs out of the pool of applications submitted for FY 1998 funds.

• CFDA: ADD's CFDA (Code of Federal Domestic Assistance) number is 93.631—Developmental Disabilities—Projects of National Significance. This information is needed to complete item 10 on the SF 424.

Fiscal Year 1998 Priority Area 4: Promoting Future Partnerships by Minority Institutions and Consumer Organizations With ADD Through Participation in the Projects of National Significance Program

• Eligible Applicants: State agencies, public or private nonprofit organizations, institutions or agencies, including a consortia of some or all of the above.

• Purpose: ADD will award demonstration grants to build the capacity and skills of consumer/disability and minority organizations/

institutions to compete as equal participants for federal funding or other types funding. The creation or further development of organizations of people of color with developmental disabilities is an intention of this priority. The foundations for working partnerships between people of color with developmental disabilities and their families and minority organizations and disability service providers is a key element for any project. Armed with the knowledge of funding it will give these groups the ability to address issues critical to their communities.

• Background Information: In a 1993 report from the National Council on Disability (NCD), "Meeting the Unique Needs of Minorities with Disabilities", it stated that "Persons with disabilities who are also members of minorities face double discrimination and a double disadvantage in our society. They are more likely to be poor and undereducated and to have fewer opportunities than other members of the population."

The 1990 Census confirmed America's rapidly changing cultural ethnic profile. According to the census data there are 30 million African Americans (an increase of 13.2% since 1980); 22.4 million Hispanic Americans (an increase of 53%); 7.3 million Asian Americans (an increase of 107.8%); and 2.0 million Native Americans (an increase of 37.9%). In comparison, the European American population grew only 6.0% since 1980. By the year 2000, the nation will have 260 million people, one of every three of whom will be either African-American, Latino, or Asian-American.

As a result of factors such as poverty, unemployment, and poor health status, persons of minority backgrounds are at high risk of disability. Based largely on population projections and substantial anecdotal evidence, it is clear that the number of persons from these minority populations who have disabilities is increasing. Moreover, based on similar projections, the proportion of minority populations with disabling conditions will probably increase at even faster rates than that of the general population.

This priority represents ADD's continued effort to support our program components in serving and involving children and adults with developmental disabilities from culturally diverse backgrounds. The following are current and past projects funded under PNS:

• University of Nebraska, "Sharing the Vision: Establishing Statewide Coalitions for Promoting the Full Participation of Persons with Developmental Disabilities from Culturally Diverse Populations," (John McClain, 402/559/6357).

• Children's Hospital/University of Southern California, "California Consortium on Cultural Diversity and Developmental Disabilities," (Chana Hiranaka, 213/669–2300).

• University of Puerto Rico, "Self Advocacy and Empowerment of Individuals in Puerto Rico Culture," (Margarita Miranda, 809/758–2525).

• People First of Tennessee, Inc., "The Lift Every Voice Leadership Project," (Ruthie Beckwith, 615/256–8002).

• Minimum Requirements for Project Design: To be seriously considered for funding projects must demonstrate collaborative working relationships with people of color with developmental disabilities and minority organizations and disability service providers. Activities applicants should consider are the following:

• Training and technical assistance on the grants development process, including developing the financial and managerial capacity to administer a grant;

• Develop training and resource materials;

• Utilize existing local and national foundations and/or corporations for their expertise on grant making;

• Utilize national and local organizations that have a strong track record working with cultural minority populations and persons with developmental disabilities;

• Facilitate a network of entities and individuals interested in empowering people of color with developmental disabilities, including for example ADD's program components and a Historically Black College/University;

• Develop a mini-grants program to fund pilot projects for smaller, grassroots organizations;

• Mentoring opportunities for individuals of color with developmental disabilities with experts in grant development that provide fellowships or stipends and other necessary supports for full participation; and

• Describe measurable outcomes.

As a general guide, ADD will expect to fund only those proposals for projects that incorporate the following elements:

• Consumer/self-advocate orientation and participation.

• Key project personnel with direct life experience with living with a disability.

• Strong advisory components that consist of a majority of individuals with disabilities and a structure where individuals with disabilities make real decisions that determine the outcome of the grant.

• Research reflecting the principles of participatory action.

• Cultural competency.

• A description of how individuals with disabilities and their families will be involved in all aspects of the design, implementation, and evaluation of the project.

• Attention to unserved and inadequately served individuals, having a range of disabilities from mild to severe, from multicultural backgrounds, rural and inner-city areas, migrant, homeless, and refugee families, with severe disabilities.

• Compliance with the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973 as amended by the Rehabilitation Act amendments of 1992 (P.L. 102–569).

• Collaboration through partnerships and coalitions.

• Development of the capacity to communicate and disseminate information and technical assistance through e-mail and other effective, affordable, and accessible forms of electronic communication.

• Evaluation Criteria: The five criteria that follow will be used to review and evaluate each application under this priority area. Each of these criterion should be addressed in the project description section of the application. The point values indicate the maximum numerical weight each criterion will be accorded in the review process. The specific information to be included under each of these headings is described in Section G of Part III, General Instructions for the Uniform Project Description.

Criterion 1: Objectives and Need for Assistance (20 points).

Criterion 2: Results or Benefits Expected (20 points).

Criterion 3: Approach (35 points).

Criterion 4: Organization Profile (25 points).

• Project Duration: This announcement is soliciting applications for project periods up to three years under this priority area. Awards, on a competitive basis, will be for a one-year budget period, although project periods may be for three years. Applications for continuation grants funded under this priority area beyond the one-year budget period, but within the three-year project period, will be entertained in subsequent years on a non-competitive basis, subject to the availability of funds, satisfactory progress of the grantee, and determination that continued funding would be in the best interest of the Government.

• Federal Share of Project Costs: The maximum Federal share is not to exceed $100,000 for the first 12-month budget

period or a minimum of $300,000 for a three-year project period.

• Matching Requirement: Grantees must match $1 for every $3 requested in Federal funding to reach 25% of the total approved cost of the project. The total approved cost of the project is the sum of the ACF share and the non-Federal share. The non-Federal share may be met by cash or in-kind contributions, although applicants are encouraged to meet their match requirements through cash contributions. Therefore, a project requesting $100,000 in Federal funds (based on an award of $100,000 per budget period) must include a match of at least $33,333 (total project cost is $133,333, of which $33,333 is 25%).

• Anticipated Number of Projects to be Funded: It is anticipated that up to five (5) projects will be funded. Subject to availability of additional resources in FY 1999 and the number of acceptable applications received as a result of this program announcement, the ADD Commissioner may elect to select recipients for the FY 1999 cohort of programs out of the pool of applications submitted for FY 1998 funds.

• CFDA: ADD's CFDA (Code of Federal Domestic Assistance) number is 93.631—Developmental Disabilities—Projects of National Significance. This information is needed to complete item 10 on the SF 424.

Fiscal Year 1998 Priority Area 5: Girl Power! Moving From Despair to Empowerment of Girls With Developmental Disabilities

• Eligible Applicants: State agencies, public or private nonprofit organizations, institutions or agencies, including a consortia of some or all of the above.

• Purpose: ADD is interested in awarding model demonstration grants that address the multiplicity of issues involved with pregnancies among teenagers with developmental disabilities. These projects should be collaborative efforts by disability organizations, family planning agencies, and other public/private community entities that are addressing this issue.

• Background Information: Unplanned and unwanted pregnancies continue to be one of the most prevalent problems of our society, involving social, economic, health and education issues. Babies born to teenagers are often low weight, something which can increase the likelihood of disabilities. Teenage girls who become pregnant often do not have strong academic backgrounds, sophisticated coping skills or confidence to believe that they can influence their futures.

Teachers, parents, and community leaders are aware of the importance of a wide range of developmental experiences for young people. However, young women and young people with disabilities continue to experience isolation, fewer opportunities, and lower expectations from their families and communities. Young women with disabilities are especially likely to be denied, in sometimes subtle but significant ways, the experiences that provide them with the tools for self-determination. This very point is raised in the "Report from the National Longitudinal Transition Study of Special Education Students." It was found that female 12th-graders with disabilities were much less likely than males to have competitive employment as their postschool goal, a pattern that reflects in their postschool reality. Despite higher academic performance while in school, young women with disabilities were just as likely as young men to drop out of school, and almost 25% did so because of pregnancy or childrearing responsibilities. Within 3 to 5 years after high school, 30% of young women with disabilities were married and 41% were mothers, a rate that was significantly higher than the reported parenting rate for young men with disabilities (16%) or for young women of the same age in the general population (26%). This raises significant questions about the frequency with which these young women were mothers in their early years after leaving school and why other options such as further schooling or employment were not pursued. School programs chosen by or provided to many young women with disabilities support a postschool path involving home and child care more likely than postsecondary education or employment.

• Minimum requirements for Project Design: ADD is particularly interested in supporting projects which address issues contributing to unwanted pregnancies among teenagers with developmental disabilities and provide models that empower these girls. Listed below are appropriate activities for such projects:

• Initiatives to identify girls with developmental disabilities in elementary and secondary school who are experiencing academic difficulties and providing them with remedial help in improving basic mathematics, reading, writing and other communication skills as well as computer and other technological skills;

• Targeting pregnancy prevention activities toward teenage girls who have developmental disabilities, including those considered to have mild or moderate disabilities and not needing other specialized services;

• Develop mentoring programs for teenage girls with developmental disabilities that utilize women with disabilities;

• Develop job training programs, internship programs and other activities to provide positive work exposure and experiences to teenage girls with developmental disabilities who are at risk. These programs must be substantive and have the potential of leading to careers or assisting in the development of skills needed in the current job market;

• Collaborate with community organizations to ensure that teenage girls with developmental disabilities are included in academic, social, job training, mentoring and other activities for teenagers at risk;

• Conduct research focusing on the prevalence of unidentified disabilities among girls in elementary and secondary schools who are experiencing academic or other school-related difficulties, but who have not been identified as needing special education and the relationship to the prevalence of unwanted teenage pregnancy;

• Describe measurable outcomes. As a general guide, ADD will expect to fund only those proposals for projects that incorporate the following elements:

• Consumer/self-advocate orientation and participation.

• Key project personnel with direct life experience with living with a disability.

• Strong advisory components that consist of a majority of individuals with disabilities and a structure where individuals with disabilities make real decisions that determine the outcome of the grant.

• Research reflecting the principles of participatory action.

• Cultural competency.

• A description of how individuals with disabilities and their families will be involved in all aspects of the design, implementation, and evaluation of the project.

• Attention to unserved and inadequately served individuals, having a range of disabilities from mild to severe, from multicultural backgrounds, rural and inner-city areas, migrant, homeless, and refugee families, with severe disabilities.

• Compliance with the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973 as amended by the Rehabilitation Act amendments of 1992 (P.L. 102–569).

• Collaboration through partnerships and coalitions.

• Development of the capacity to communicate and disseminate information and technical assistance through e-mail and other effective, affordable, and accessible forms of electronic communication.

• Evaluation Criteria: The four criteria that follow will be used to review and evaluate each application under this priority area. Each of these criterion should be addressed in the project description section of the application. The point values indicate the maximum numerical weight each criterion will be accorded in the review process. The specific information to be included under each of these headings is described in Section G of Part III, General Instructions for the Uniform Project Description.

Criterion 1: Objectives and Need for Assistance (20 points).

Criterion 2: Results or Benefits Expected (20 points).

Criterion 3: Approach (35 points).

Criterion 4: Organization Profile (25 points).

• Project Duration: This announcement is soliciting applications for project periods up to three years under this priority area. Awards, on a competitive basis, will be for a one-year budget period, although project periods may be for three years. Applications for continuation grants funded under this priority area beyond the one-year budget period, but within the three-year project period, will be entertained in subsequent years on a non-competitive basis, subject to the availability of funds, satisfactory progress of the grantee, and determination that continued funding would be in the best interest of the Government.

• Federal Share of Project Costs: The maximum Federal share is not to exceed $100,000 for the first 12-month budget period of a three-year project period or a maximum of $300,000 for a three-year project period.

• Matching Requirement: Grantees must match $1 for every $3 requested in Federal funding to reach 25% of the total approved cost of the project. The total approved cost of the project is the sum of the ACF share and the non-Federal share. The non-Federal share may be met by cash or in-kind contributions, although applicants are encouraged to meet their match requirements through cash contributions. Therefore, a project requesting $100,000 in Federal funds (based on an award of $100,000 per budget period) must include a match of at least $33,333 (total project cost is $133,333, of which $33,333 is 25%).

• Anticipated Number of Projects to be Funded: It is anticipated that up to five (5) projects will be funded. Subject to availability of additional resources in FY 1999 and the number of acceptable applications received as a result of this program announcement, the ADD Commissioner may elect to select recipients for the FY 1999 cohort of programs out of the pool of applications submitted for FY 1998 funds.

• CFDA: ADD's CFDA (Code of Federal Domestic Assistance) number is 93.631—Developmental Disabilities—Projects of National Significance. This information is needed to complete item 10 on the SF 424.

Part V. Instructions for the Development and Submission of Applications

This Part contains information and instructions for submitting applications in response to this announcement. Application forms and package along with a checklist and other materials can be obtained by any of the following methods: Pat Laird, ADD, 370 L'Enfant Promenade SW, Washington, DC, 20447, 202/690–7447; http:// www. acf. dhhs. gov/programs/add; or add@acf.dhhs.gov. Please copy and use these forms in submitting an application.

Potential applicants should read this section carefully in conjunction with the information contained within the specific priority area under which the application is to be submitted. The priority area descriptions are in Part IV.

A. Required Notification of the State Single Point of Contact (SPOC)

All applications under the ADD priority areas are required to follow the Executive Order (E.O.) 12372 process, "Intergovernmental Review of Federal Programs," and 45 CFR Part 100, "Intergovernmental Review of Department of Health and Human Services Program and Activities." Under the Order, States may design their own processes for reviewing and commenting on proposed Federal assistance under covered programs.

Note: State/Territory Participation in the Intergovernmental Review Process Does Not Signify Applicant Eligibility for Financial Assistance Under a Program. A Potential Applicant Must Meet the Eligibility Requirements of the Program for Which it is Applying Prior to Submitting an Application to its SPOC, if Applicable, or to ACF.

As of September 22, 1997, all States and territories, except Alabama, Alaska, Colorado, Connecticut, Hawaii, Idaho, Kansas, Louisiana, Massachusetts, Minnesota, Montana, Nebraska, New Jersey, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, Tennessee, Vermont, Virginia, Washington, American Samoa and Palau, have elected to participate in the Executive Order process and have established a State Single Point of Contact (SPOC). Applicants from these jurisdictions or for projects administered by Federally-recognized Indian Tribes need take no action regarding E.O. 12372. Otherwise, applicants should contact their SPOCs as soon as possible to alert them of the prospective applications and receive any necessary instructions.

Applicants must submit all required materials to the SPOC as soon as possible so that the program office can obtain and review SPOC comments as part of the award process. It is imperative that the applicant submit all required materials and indicate the date of this submittal (or date SPOC was contacted, if no submittal is required) on the SF 424, item 16a.

Under 45 CFR 100.8(a)(2), a SPOC has 60 days from the application due date to comment on proposed new or competing continuation awards. However, there is insufficient time to allow for a complete SPOC comment period. Therefore, we have reduced the comment period to 30 days from the closing date for applications. These comments are reviewed as part of the award process. Failure to notify the SPOC can result in delays in awarding grants.

SPOCs are encouraged to eliminate the submission of routine endorsements as official recommendations. Additionally, SPOCs are requested to clearly differentiate between mere advisory comments and those official State process recommendations which may trigger the "accommodate or explain" rule.

When comments are submitted directly to ACF, they should be addressed to: Department of Health and Human Services, Administration for Children and Families, Division of Discretionary Grants and Audit Resolution, 370 L'Enfant Promenade, SW, Mail Stop 6C–462, Washington, DC 20447, Attn: 93.631 ADD—Projects of National Significance.

Contact information for each State's SPOC is found in the application package.

B. Notification of State Developmental Disabilities Planning Councils

A copy of the application must also be submitted for review and comment to the State Developmental Disabilities Council in each State in which the applicant's project will be conducted. A list of the State Developmental Disabilities Councils is included in the application package.

C. Deadline for Submittal of Applications

One signed original and two copies of the application must be submitted on or before August 10, 1998 to: U.S. Department of Health and Human Services, Administration for Children and Families, Administration on Developmental Disabilities, 370 L'Enfant Promenade, SW, Mail Stop 6C–462, Washington, DC 20447, Attn: Joan Rucker.

Applications may be mailed or hand-delivered. Hand-delivered applications are accepted during the normal working hours of 8:00 a.m. to 4:30 p.m., Monday through Friday. Applications shall be considered as meeting an announced deadline if received by the deadline date at the ACF Grants Office (Close of Business: 4:30 p.m., local prevailing time).

Late applications: Applications which do not meet the criterion stated above are considered late applications. ACF/ADD shall notify each late applicant that its application will not be considered in the current competition.

Extension of deadlines: ACF may extend the deadline for all applicants due to acts of God, such as floods, hurricanes, or earthquakes; or when there is a widespread disruption of the mails. However, if the granting agency does not extend the deadline for all applicants, it may not waive or extend the deadline for any applicants.

D. Instructions for Preparing the Application and Completing Application Forms

The SF 424, SF 424A, SF 424A-Page 2 and Certifications/Assurances are contained in the application package. Please prepare your application in accordance with the following instructions:

1. SF 424 Page 1, Application Cover Sheet

Please read the following instructions before completing the application cover sheet. An explanation of each item is included. Complete only the items specified.

Top of Page. Enter the single priority area number under which the application is being submitted. An application should be submitted under only one priority area.

Item 1. "Type of Submission"—Preprinted on the form.

Item 2. "Date Submitted" and "Applicant Identifier" —Date application is submitted to ACF and applicant's own internal control number, if applicable.

Item 3. "Date Received By State"—State use only (if applicable).

Item 4. "Date Received by Federal Agency"—Leave blank.

Item 5. "Applicant Information".

"Legal Name"—Enter the legal name of applicant organization. For applications developed jointly, enter the name of the lead organization only. There must be a single applicant for each application.

"Organizational Unit"—Enter the name of the primary unit within the applicant organization which will actually carry out the project activity. Do not use the name of an individual as the applicant. If this is the same as the applicant organization, leave the organizational unit blank.

"Address"—Enter the complete address that the organization actually uses to receive mail, since this is the address to which all correspondence will be sent. Do not include both street address and P.O. box number unless both must be used in mailing.

"Name and telephone number of the person to be contacted on matters involving this application (give area code)"—Enter the full name (including academic degree, if applicable) and telephone number of a person who can respond to questions about the application. This person should be accessible at the address given here and will receive all correspondence regarding the application.

Item 6. "Employer Identification Number (EIN)"—Enter the employer identification number of the applicant organization, as assigned by the Internal Revenue Service, including, if known, the Central Registry System suffix.

Item 7. "Type of Applicant"—Self-explanatory.

Item 8. "Type of Application"—Preprinted on the form.

Item 9. "Name of Federal Agency"—Preprinted on the form.

Item 10. "Catalog of Federal Domestic Assistance Number and Title"—Enter the Catalog of Federal Domestic Assistance (CFDA) number assigned to the program under which assistance is requested and its title. For all of ADD's priority areas, the following should be entered, "93.631—Developmental Disabilities: Projects of National Significance."

Item 11. "Descriptive Title of Applicant's Project"—Enter the project title. The title is generally short and is descriptive of the project, not the priority area title.

Item 12. "Areas Affected by Project"—Enter the governmental unit where significant and meaningful impact could be observed. List only the largest unit or units affected, such as State, county, or city. If an entire unit is affected, list it rather than subunits.

Item 13. "Proposed Project"—Enter the desired start date for the project and projected completion date.

Item 14. "Congressional District of Applicant/Project"—Enter the number of the Congressional district where the applicant's principal office is located and the number of the Congressional district(s) where the project will be located. If Statewide, a multi-State effort, or nationwide, enter "00."

Items 15. Estimated Funding Levels. In completing 15a through 15f, the dollar amounts entered should reflect, for a 17-month or less project period, the total amount requested. If the proposed project period exceeds 17 months, enter only those dollar amounts needed for the first 12 months of the proposed project.

Item 15a. Enter the amount of Federal funds requested in accordance with the preceding paragraph. This amount should be no greater than the maximum amount specified in the priority area description.

Items 15b–e. Enter the amount(s) of funds from non-Federal sources that will be contributed to the proposed project. Items b–e are considered cost-sharing or "matching funds." The value of third party in-kind contributions should be included on appropriate lines as applicable. For more information regarding funding as well as exceptions to these rules, see Part III, Sections E and F, and the specific priority area description.

Item 15f. Enter the estimated amount of program income, if any, expected to be generated from the proposed project. Do not add or subtract this amount from the total project amount entered under item 15g. Describe the nature, source and anticipated use of this program income in the Project Narrative Statement.

Item 15g. Enter the sum of items 15a–15e.

Item 16a. "Is Application Subject to Review By State Executive Order 12372 Process? Yes."—Enter the date the applicant contacted the SPOC regarding this application. Select the appropriate SPOC from the listing provided at the end of Part IV. The review of the application is at the discretion of the SPOC. The SPOC will verify the date noted on the application.

Item 16b. "Is Application Subject to Review By State Executive Order 12372 Process? No."—Check the appropriate box if the application is not covered by E.O. 12372 or if the program has not been selected by the State for review.

Item 17. "Is the Applicant Delinquent on any Federal Debt?"—Check the appropriate box. This question applies to the applicant organization, not the

person who signs as the authorized representative. Categories of debt include audit disallowances, loans and taxes.

Item 18. "To the best of my knowledge and belief, all data in this application/preapplication are true and correct. The document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is awarded."—To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for signature of this application by this individual as the official representative must be on file in the applicant's office, and may be requested from the applicant.

Item 18a–c. "Typed Name of Authorized Representative, Title, Telephone Number"—Enter the name, title and telephone number of the authorized representative of the applicant organization.

Item 18d. "Signature of Authorized Representative"—Signature of the authorized representative named in Item 18a. At least one copy of the application must have an original signature. Use colored ink (not black) so that the original signature is easily identified.

Item 18e. "Date Signed"—Enter the date the application was signed by the authorized representative.

2. SF 424A—Budget Information—Non-Construction Programs

This is a form used by many Federal agencies. For this application, Sections A, B, C, E and F are to be completed. Section D does not need to be completed.

Sections A and B should include the Federal as well as the non-Federal funding for the proposed project covering (1) the total project period of 17 months or less or (2) the first year budget period, if the proposed project period exceeds 15 months.

Section A—Budget Summary. This section includes a summary of the budget. On line 5, enter total Federal costs in column (e) and total non-Federal costs, including third party in-kind contributions, but not program income, in column (f). Enter the total of (e) and (f) in column (g).

Section B—Budget Categories. This budget, which includes the Federal as well as non-Federal funding for the proposed project, covers (1) the total project period of 17 months or less or (2) the first-year budget period if the proposed project period exceeds 17 months. It should relate to item 15g, total funding, on the SF 424. Under column (5), enter the total requirements for funds (Federal and non-Federal) by object class category.

A separate budget justification should be included to explain fully and justify major items, as indicated below. The types of information to be included in the justification are indicated under each category. For multiple year projects, it is desirable to provide this information for each year of the project. The budget justification should immediately follow the second page of the SF 424A.

Personnel—Line 6a. Enter the total costs of salaries and wages of applicant/grantee staff. Do not include the costs of consultants, which should be included on line 6h, "Other."

Justification: Identify the principal investigator or project director, if known. Specify by title or name the percentage of time allocated to the project, the individual annual salaries, and the cost to the project (both Federal and non-Federal) of the organization's staff who will be working on the project.

Fringe Benefits—Line 6b. Enter the total costs of fringe benefits, unless treated as part of an approved indirect cost rate.

Justification: Provide a break-down of amounts and percentages that comprise fringe benefit costs, such as health insurance, FICA, retirement insurance, etc.

Travel—6c. Enter total costs of out-of-town travel (travel requiring per diem) for staff of the project. Do not enter costs for consultant's travel or local transportation, which should be included on Line 6h, "Other."

Justification: Include the name(s) of traveler(s), total number of trips, destinations, length of stay, transportation costs and subsistence allowances.

Equipment—Line 6d. Enter the total costs of all equipment to be acquired by the project. For State and local governments, including Federally recognized Indian Tribes, "equipment" is tangible, non-expendable personal property having a useful life of more than one year and acquisition cost of $5,000 or more per unit.

Justification: Equipment to be purchased with Federal funds must be justified. The equipment must be required to conduct the project, and the applicant organization or its subgrantees must not have the equipment or a reasonable facsimile available to the project. The justification also must contain plans for future use or disposal of the equipment after the project ends.

Supplies—Line 6e. Enter the total costs of all tangible expendable personal property (supplies) other than those included on Line 6d.

Justification: Specify general categories of supplies and their costs.

Contractual—Line 6f. Enter the total costs of all contracts, including (1) procurement contracts (except those which belong on other lines such as equipment, supplies, etc.) and (2) contracts with secondary recipient organizations, including delegate agencies. Also include any contracts with organizations for the provision of technical assistance. Do not include payments to individuals on this line. If the name of the contractor, scope of work, and estimated total costs are not available or have not been negotiated, include on Line 6h, "Other."

Justification: Attach a list of contractors, indicating the names of the organizations, the purposes of the contracts, and the estimated dollar amounts of the awards as part of the budget justification. Whenever the applicant/grantee intends to delegate part or all of the program to another agency, the applicant/grantee must complete this section (Section B, Budget Categories) for each delegate agency by agency title, along with the supporting information. The total cost of all such agencies will be part of the amount shown on Line 6f. Provide backup documentation identifying the name of contractor, purpose of contract, and major cost elements.

Construction—Line 6g. Not applicable. New construction is not allowable.

Other—Line 6h. Enter the total of all other costs. Where applicable, such costs may include, but are not limited to: insurance; medical and dental costs; noncontractual fees and travel paid directly to individual consultants; local transportation (all travel which does not require per diem is considered local travel); space and equipment rentals; printing and publication; computer use; training costs, including tuition and stipends; training service costs, including wage payments to individuals and supportive service payments; and staff development costs. Note that costs identified as "miscellaneous" and "honoraria" are not allowable.

Justification: Specify the costs included.

Total Direct Charges—Line 6i. Enter the total of Lines 6a through 6h.

Indirect Charges—6j. Enter the total amount of indirect charges (costs). If no indirect costs are requested, enter "none." Generally, this line should be used when the applicant (except local governments) has a current indirect cost rate agreement approved by the Department of Health and Human Services or another Federal agency.

Local and State governments should enter the amount of indirect costs determined in accordance with HHS requirements. When an indirect cost rate is requested, these costs are included in the indirect cost pool and should not be charged again as direct costs to the grant.

In the case of training grants to other than State or local governments (as defined in title 45, Code of Federal Regulations, part 74), the Federal reimbursement of indirect costs will be limited to the lesser of the negotiated (or actual) indirect cost rate or 8 percent of the amount allowed for direct costs, exclusive of any equipment charges, rental of space, tuition and fees, post-doctoral training allowances, contractual items, and alterations and renovations.

For training grant applications, the entry under line 6j should be the total indirect costs being charged to the project. The Federal share of indirect costs is calculated as shown above. The applicant's share is calculated as follows:

(a) Calculate total project indirect costs (a*) by applying the applicant's approved indirect cost rate to the total project (Federal and non-Federal) direct costs.

(b) Calculate the Federal share of indirect costs (b*) at 8 percent of the amount allowed for total project (Federal and non-Federal) direct costs exclusive of any equipment charges, rental of space, tuition and fees, post-doctoral training allowances, contractual items, and alterations and renovations.

(c) Subtract (b*) from (a*). The remainder is what the applicant can claim as part of its matching cost contribution.

Justification: Enclose a copy of the indirect cost rate agreement. Applicants subject to the limitation on the Federal reimbursement of indirect costs for training grants should specify this.

Total—Line 6k. Enter the total amounts of lines 6i and 6j.

Program Income—Line 7. Enter the estimated amount of income, if any, expected to be generated from this project. Do not add or subtract this amount from the total project amount.

Justification: Describe the nature, source, and anticipated use of program income in the Program Narrative Statement.

Section C—Non-Federal Resources. This section summarizes the amounts of non-Federal resources that will be applied to the grant. Enter this information on line 12 entitled "Totals." In-kind contributions are defined in title 45 of the Code of Federal Regulations, Parts 74.51 and 92.24, as "property or services which benefit a grant-supported project or program and which are contributed by non-Federal third parties without charge to the grantee, the subgrantee, or a cost-type contractor under the grant or subgrant."

Justification: Describe third party in-kind contributions, if included.

Section D—Forecasted Cash Needs. Not applicable.

Section E—Budget Estimate of Federal Funds Needed For Balance of the Project. This section should only be completed if the total project period exceeds 17 months.

Totals—Line 20. For projects that will have more than one budget period, enter the estimated required Federal funds for the second budget period (months 13 through 24) under column "(b) First." If a third budget period will be necessary, enter the Federal funds needed for months 25 through 36 under "(c) Second." Columns (d) and (e) are not applicable in most instances, since ACF funding is almost always limited to a three-year maximum project period. They should remain blank.

Section F—Other Budget Information.

Direct Charges—Line 21. Not applicable.

Indirect Charges—Line 22. Enter the type of indirect rate (provisional, predetermined, final or fixed) that will be in effect during the funding period, the estimated amount of the base to which the rate is applied, and the total indirect expense.

Remarks—Line 23. If the total project period exceeds 17 months, you must enter your proposed non-Federal share of the project budget for each of the remaining years of the project.

3. Project Description

The Project Description is a very important part of an application. It should be clear, concise, and address the specific requirements mentioned under the priority area description in Part IV. The narrative should also provide information concerning how the application meets the evaluation criteria, using the following headings:

(a) Objectives and Need for Assistance;

(b) Results and Benefits Expected;

(c) Approach; and

(d) Organization Profile.

The specific information to be included under each of these headings is described in Section G of Part III, General Instructions for the Uniform Project Description.

The narrative should be typed double-spaced on a single-side of an 8½" x 11" plain white paper, with 1" margins on all sides, using black print no smaller than 12 pitch or 12 point size. All pages of the narrative (including charts, references/footnotes, tables, maps, exhibits, etc.) must be sequentially numbered, beginning with "Objectives and Need for Assistance" as page number one. Applicants should not submit reproductions of larger size paper, reduced to meet the size requirement.

The length of the application, including the application forms and all attachments, should not exceed 60 pages. This will be strictly enforced. A page is a single side of an 8½" x 11" sheet of paper. Applicants are requested not to send pamphlets, brochures or other printed material along with their application as these pose xeroxing difficulties. These materials, if submitted, will not be included in the review process if they exceed the 60-page limit. Each page of the application will be counted to determine the total length.

4. Part V—Assurances/Certifications

Applicants are required to file an SF 424B, Assurances—Non-Construction Programs and the Certification Regarding Lobbying. Both must be signed and returned with the application. Applicants must also provide certifications regarding: (1) Drug-Free Workplace Requirements; and (2) Debarment and Other Responsibilities. These two certifications are self-explanatory. Copies of these assurances/certifications are reprinted at the end of this announcement and should be reproduced, as necessary. A duly authorized representative of the applicant organization must certify that the applicant is in compliance with these assurances/certifications. A signature on the SF 424 indicates compliance with the Drug Free Workplace Requirements, and Debarment and Other Responsibilities certifications, and need not be mailed back with the application.

In addition, applicants are required under Section 162(c)(3) of the Act to provide assurances that the human rights of all individuals with developmental disabilities (especially those individuals without familial protection) who will receive services under projects assisted under Part E will be protected consistent with section 110 (relating to the rights of individuals with developmental disabilities). Each application must include a statement providing this assurance.

For research projects in which human subjects may be at risk, a Protection of Human Subjects Assurance may be required. If there is a question regarding

the applicability of this assurance, contact the Office for Research Risks of the National Institutes of Health at (301) 496–7041.

E. Checklist for a Complete Application

The checklist below is for your use to ensure that your application package has been properly prepared.

_____One original, signed and dated application, plus two copies. Applications for different priority areas are packaged separately;

_____Application is from an organization which is eligible under the eligibility requirements defined in the priority area description (screening requirement);

_____Application length does not exceed 60 pages, unless otherwise specified in the priority area description.

A complete application consists of the following items in this order:

_____Application for Federal Assistance (SF 424, REV 4–88);

_____A completed SPOC certification with the date of SPOC contact entered in line 16, page 1 of the SF 424 if applicable.

_____Budget Information—Non-Construction Programs (SF 424A, REV 4–88);

_____Budget justification for Section B—Budget Categories;

_____Table of Contents;

_____Letter from the Internal Revenue Service, etc. to prove non-profit status, if necessary;

_____Copy of the applicant's approved indirect cost rate agreement, if appropriate;

_____Project Description (See Part III, Section C);

_____Any appendices/attachments;

_____Assurances—Non-Construction Programs (Standard Form 424B, REV 4–88);

_____Certification Regarding Lobbying; and

_____Certification of Protection of Human Subjects, if necessary.

_____Certification of the Pro-Children Act of 1994; signature on the application represents certification.

F. The Application Package

Each application package must include an original and two copies of the complete application. Each copy should be stapled securely (front and back if necessary) in the upper left-hand corner. All pages of the narrative (including charts, tables, maps, exhibits, etc.) must be sequentially numbered, beginning with page one. In order to facilitate handling, please do not use covers, binders or tabs. Do not include extraneous materials as attachments, such as agency promotion brochures, slides, tapes, film clips, minutes of meetings, survey instruments or articles of incorporation.

G. Paper Reduction Act of 1995 (Pub. L. 104–13)

The Uniform Project Description information collection within this announcement is approved under the Uniform Project Description (0970–0139), Expiration Date 10/31/2000.

Public reporting burden for this collection of information is estimated to average 10 hours per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

(Federal Catalog of Domestic Assistance Number 93.631 Developmental Disabilities—Projects of National Significance)

Dated: June 30, 1998.

Sue Swenson,

Commissioner, Administration on Developmental Disabilities.

[FR Doc. 98–18154 Filed 7–8–98; 8:45 am]

BILLING CODE 4184–01–P

federal register

Thursday
July 9, 1998

Part IV

Department of Education

Office of Special Education and Rehabilitative Services; Office of Special Education Programs: Applications Invitations for New Awards for Fiscal Year (FY) 1998; Notice

DEPARTMENT OF EDUCATION

[CFDA No. 84.327E]

Office of Special Education and Rehabilitative Services; Office of Special Education Programs: Notice Inviting Applications for New Awards for Fiscal Year (FY) 1998.

AGENCY: Department of Education.

ACTION: Correction notice.

SUMMARY: On June 3, 1998, a notice inviting applications for new awards under the Technology and Media Services for Individuals with Disabilities program was published in the **Federal Register** (63 FR 30296). "For-profit organizations" was inadvertently omitted from the list of eligible applicants for the Closed Captioned Educational Programming and Accessible Formats for Educational Materials priorities.

NOTE TO APPLICANTS: The notice contained closing dates and other information regarding the transmittal of applications for FY 1998 competitions under the Technology and Media Services for Individuals with Disabilities program authorized by IDEA, as amended. This notice corrects the *Eligible Applicants* section under these two priorities by including "for-profit organizations" in the listing of eligible applicants. Potential applicants should consult the statement of the final priorities published on June 3, 1998 (63 FR 30296) to ascertain the substantive requirements for their applications.

FOR FURTHER INFORMATION CONTACT: For further information on these proposed priorities contact Debra Sturdivant, U.S. Department of Education, 600 Independence Avenue, SW, room 3317, Switzer Building, Washington, D.C. 20202–2641. FAX: (202) 205-8717 (FAX is the preferred method for requesting information). Telephone: (202) 205–8038. Internet: Debra__Sturdivant@ed.gov.

Individuals who use a telecommunications device for the deaf (TDD) may call the TDD number: (202) 205–8953.

Individuals with disabilities may obtain a copy of this notice in an alternate format (e.g. Braille, large print, audiotape, or computer diskette) by calling (202) 205–8113.

Electronic Access to This Document

Anyone may view this document, as well as all other Department of Education documents published in the **Federal Register**, in text or portable document format (pdf) on the World Wide Web at either of the following sites:

http://ocfo.ed.gov/fedreg.htm
http://www.ed.gov/news.html

To use the pdf you must have the Adobe Acrobat Reader Program with Search, which is available free at either of the previous sites. If you have questions about using the pdf, call the U.S. Government Printing Office at (202) 512–1530 or, toll free at 1–888–293–6498.

Anyone may also view these documents in text copy only on an electronic bulletin board of the Department. Telephone: (202) 219–1511 or, toll free, 1–800–222–4922. The documents are located under Option G—Files/Announcements, Bulletins, and Press Releases.

Note: The official version of a document is the document published in the **Federal Register**.

Dated: July 6, 1998.

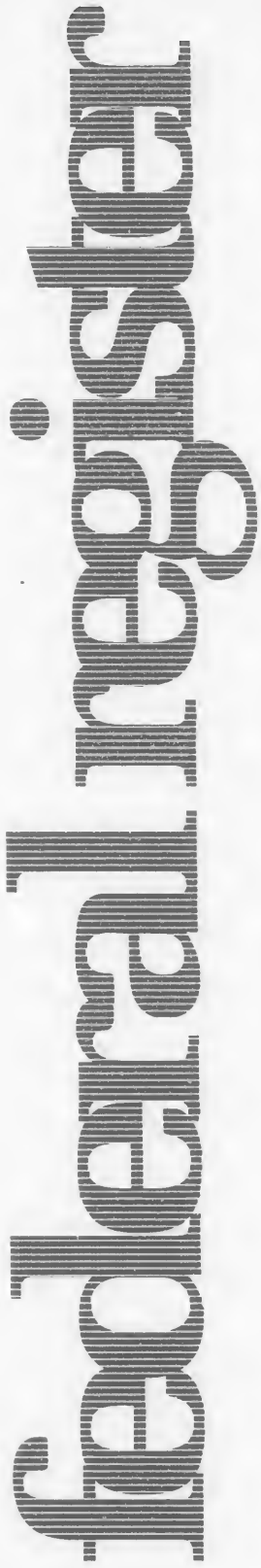
Judith E. Heumann,

Assistant Secretary for Special Education and Rehabilitative Services.

[FR Doc. 98–18208 Filed 7–8–98; 8:45 am]

BILLING CODE 4000–01–P

Thursday
July 9, 1998



Part V

Federal Trade Commission

16 CFR Part 432

Trade Regulation Rule Relating to Power Output Claims for Amplifiers Utilized in Home Entertainment Products; Final Rule

FEDERAL TRADE COMMISSION

16 CFR Part 432

Trade Regulation Rule Relating to Power Output Claims for Amplifiers Utilized in Home Entertainment Products

AGENCY: Federal Trade Commission.

ACTION: Final rule.

SUMMARY: The Federal Trade Commission ("Commission" or "FTC"), has completed its regulatory review of the Rule relating to Power Output Claims for Amplifiers Utilized in Home Entertainment Products (the "Amplifier Rule" or the "Rule"). Pursuant to that review, the Commission concludes that the Amplifier Rule continues to be valuable both to consumers and firms and that certain substantive amendments to the Rule may be appropriate. The Commission publishes the results of the regulatory review and an Advance Notice of Proposed Rulemaking ("ANPR") in a separate document elsewhere in this **Federal Register.** The regulatory review record suggests that a non-substantive technical amendment be made to the Rule to clarify the Rule's applicability to self-powered loudspeakers for use in the home. This document sets forth that amendment.

DATES: The effective date of this amendment is July 9, 1998.

FOR FURTHER INFORMATION CONTACT: Dennis Murphy, Economist, Division of Consumer Protection, Bureau of Economics, (202) 326–3524 or Robert E. Easton, Esq., Special Assistant, Division of Enforcement, Bureau of Consumer Protection, (202) 326–3029, Federal Trade Commission, Washington, D.C. 20580.

SUPPLEMENTARY INFORMATION: The Commission is publishing this document pursuant to Section 18 of the FTC Act, 15 U.S.C. 57a *et seq.*, the provisions of Part 1, Subpart B of the Commission's Rules of Practice, 16 CFR 1.7 *et seq.*, and 5 U.S.C. 551 *et seq.* This authority permits the Commission to make a non-substantive amendment to a rule by seeking comment and announcing the amendment in the **Federal Register.**

The Amplifier Rule was promulgated on May 3, 1974 (39 FR 15387), to assist consumers in purchasing "sound power amplification equipment manufactured or sold for home entertainment purposes" by standardizing the measurement and disclosure of various performance characteristics of the equipment.[1] As examples of covered equipment, the Rule lists radios, record and tape players, radio-phonograph and/or tape combinations, component audio amplifiers "and the like."[2]

On April 7, 1997, the Commission published a **Federal Register** Notice ("FRN") seeking comment on the Rule as part of a continuing review of its trade regulation rules to determine their current effectiveness and impact (62 FR 16500). This FRN sought comment on issues relating to the costs and benefits of the Rule, what changes in the Rule would increase its benefits to purchasers and how those changes would affect compliance costs, and whether technological or marketplace changes have affected the Rule. The FRN also sought comment on the Rule's coverage of self-powered speakers for home use. Specifically, the Commission announced its tentative conclusion that the Rule covers self-powered speakers for use with home computers, home sound systems, home multimedia systems and other sound power amplification equipment for home computers.[3] The FRN noted that, although there were few self-amplified home entertainment speakers when the Rule was promulgated in 1974, self-powered speakers fit within the Rule's definition of covered products and are very similar to the examples given in the Rule. The Commission also solicited comment on additional issues related to coverage of self-powered speakers under the Rule, including whether the standard test conditions set out in the Rule are appropriate for such equipment.[4]

The FRN elicited six written comments,[5] four of which addressed the issue of the rule's coverage of self-powered speakers. Two manufacturers of self-powered loudspeakers for use with home sound systems expressed unqualified support for including such equipment within the Rule's coverage. One of these commenters stated that there is a great deal of consumer confusion regarding amplifier performance in self-powered speakers and that manufacturers "are now engaging in the same type of misleading practices that led to the creation of the Amplifier Rule in 1974."[6] One additional commenter appeared to support including such equipment under the Rule, but expressed concern that the Rule's current testing format and disclosures are not compatible with combination speaker systems consisting of two or more amplifiers.[7] The principal trade association of the U.S. consumer electronics industry supported applying the Rule to self-powered speakers and including such products in the scope of the Rule.[8]

On the basis of the plain language and intent of the Rule, as supplemented by record comments, the Commission has concluded that self-powered speaker systems for use with home computers, home multimedia systems, and home sound systems are within the coverage of the Rule. Self-powered speakers are "sound power amplification equipment" which can be "manufacture or sold for home entertainment purposes." These speakers perform the same functions as the other amplification equipment listed in the examples cited in the Rule. Consequently, the Commission has determined to adopt a clarifying non-

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[1] 16 CFR 432.1(a).

[2] *Id.*

[3] 62 FR 16500.

[4] The appropriateness of the standard test procedures for self-powered speakers is addressed as part of the ANPR appearing elsewhere in this **Federal Register**.

[5] The commenters were: Phillips Sound Labs [Phillips](1); Fultron Car Audio [Fultron](2); Klipsch Audio and Home Theater Products [Klipsch](3); Miller & Kreisel Sound Corporation [MK](4); Consumer Electronics Manufacturers Association [CEMA](5); and Labtec Multimedia Speakers [Labtec](6). The comments are cited as "[name of commenter], Comment (designated number), p. __." All Rule review comments are on the public record and are available for public inspection in the Public Reference Room, Room 130, Federal Trade Commission, 6th and Pennsylvania Ave., NW, Washington, DC, from 8:30 a.m. to 5:00 p.m., Monday through Friday, except federal holidays.

[6] *See* MK, (4), P. 1; Klipsch, (3), p. 1.

[7] Labtec, (6), p.4. The commenter proposed that the Commission amend the Rule to specify a separate testing protocol and disclosure format for three-piece multimedia speaker systems comprised of a subwoofer and two or more satellite speakers that are powered by separate amplifiers that share a common power supply. This issue is addressed in the ANPR appearing elsewhere in this **Federal Register.**

[8] CEMA, (5), pp. 2, 7. This comment also recommended that the Rule be amended at a future date to incorporate a standard for measuring the volume of sound that a powered speaker can deliver into the listening environment, rather than the power that the amplifier can deliver to the speaker. This commenter stated that a voluntary industry standard for measuring the loudness of powered speakers was currently under development and could be incorporated into the Rule.

The Commission has concluded that Rule coverage of such self-powered speaker equipment should not be delayed until an industry standard is developed for measuring and disclosing the sound output of such speaker systems. The Commission lacks a sufficient basis to conclude that the as-yet unspecified testing and disclosure format would provide more useful information to consumers than would the Rule's power rating protocol. In addition, even if the industry should develop a loudness standard, some manufacturers may continue to provide power output specifications that would be covered by the current Rule. The Commission believes that the Rule's continuous power output protocol and a future industry loudness protocol could coexist in a complementary fashion should such a standard be developed.

substantive amendment to the Rule that adds self-powered speakers for use in home computer and sound systems to the list of examples of covered sound power amplification equipment provided in § 432.1(a) of the Rule.

This non-substantive amendment to the Rule does not raise any issues under the Regulatory Flexibility Act ("RFA"), 5 U.S.C. 601 *et seq.* The amendment does not change the requirements of the Rule in any manner. It simply clarifies the scope of the Rule by naming as examples certain products that already are covered. The Commission, therefore, certifies, pursuant to section 605 of the RFA, 5 U.S.C. 605, that the amendment will not have a significant impact on a substantial number of small entities. Similarly, the amendment does not raise any issues under the Paperwork Reduction Act ("PRA"), 44 U.S.C. 3501 *et seq.* The PRA requires government agencies, before promulgating rules or other regulations that require "collections of information" (i.e., record keeping, reporting, or third-party disclosure requirements), to obtain approval from the Office of Management and Budget ("OMB"), 44 U.S.C. 3502. Because the amendment does not impose any collection of information requirements, OMB approval is unnecessary.

List of Subjects in 16 CFR Part 432

Amplifiers, Electronic products, Home entertainment products, Trade practices.

For the reasons set forth in the preamble, 16 CFR Part 432 is amended as follows:

PART 432—POWER OUTPUT CLAIMS FOR AMPLIFIERS UTILIZED IN HOME ENTERTAINMENT PRODUCTS

1. The authority citation for part 432 continues to read as follows:

Authority: 38 Stat. 717, as amended; (15 U.S.C. 41–58).

2. Section 432.1(a) is revised to read as follows:

§ 432.1 Scope.

(a) Except as provided in paragraph (b) of this section, this part shall apply whenever any power output (in watts or otherwise), power band or power frequency response, or distortion capability or characteristic is represented, either expressly or by implication, in connection with the advertising, sale, or offering for sale, in commerce as "commerce" is defined in the Federal Trade Commission Act, of sound power amplification equipment manufactured or sold for home entertainment purposes, such as for example, radios, record and tape players, radio-phonograph and/or tape combinations, component audio amplifiers, self-powered speakers for computers, multimedia systems and sound systems, and the like.

* * * * *

Benjamin I. Berman,

Acting Secretary.

[FR Doc. 98–18203 Filed 7–8–98; 8:45 am]

BILLING CODE 6750–01–M

federal register

Thursday
July 9, 1998

Part VI

Federal Trade Commission

16 CFR Part 432

Trade Regulation Rule Relating to Power Output Claims for Amplifiers Utilized in Home Entertainment Products; Proposed Rule

FEDERAL TRADE COMMISSION

16 CFR Part 432

Trade Regulation Rule Relating to Power Output Claims for Amplifiers Utilized in Home Entertainment Products

AGENCY: Federal Trade Commission.

ACTION: Advance Notice of Proposed Rulemaking.

SUMMARY: The Federal Trade Commission ("Commission" or "FTC"), has completed its regulatory review of the Rule relating to Power Output Claims for Amplifiers Utilized in Home Entertainment Products (the "Amplifier Rule" or the "Rule"). Pursuant to that review, the Commission concludes that the Amplifier Rule continues to provide benefits to consumers and firms. The regulatory review record also suggests that certain substantive amendments to the Rule may be appropriate, and could reduce compliance obligations without lessening the protection provided by the Rule. Accordingly, the Commission seeks comment on whether it should initiate a rulemaking proceeding to amend the Rule to: reduce the preconditioning power output requirement from one-third of rated power to a lower figure, such as one-eighth of rated power; exempt sellers who make power output claims in media advertising from the requirement to disclose total rated harmonic distortion and the associated power bandwidth and impedance ratings; and clarify the manner in which the Rule's testing procedures apply to self-powered subwoofer-satellite combination speaker systems. The regulatory review record also suggests that a non-substantive technical amendment be made to the Rule to clarify the Rule's applicability to self-powered loudspeakers for use in the home. A Notice of Final Action announcing such amendment is published elsewhere in this **Federal Register**.

DATES: Written comments will be accepted until September 8, 1998.

ADDRESSES: Comments should be directed to: Secretary, Federal Trade Commission, Room H–159, Sixth and Pennsylvania Ave., NW., Washington, DC 20580. Comments about the Amplifier Rule should be identified "16 CFR Part 432—Comment."

FOR FURTHER INFORMATION CONTACT: Dennis Murphy, Economist, Division of Consumer Protection, Bureau of Economics, (202) 326–3524 or Robert E. Easton, Esq., Special Assistant, Division of Enforcement, Bureau of Consumer Protection, (202) 326–3029, Federal Trade Commission, Washington, DC 20580.

SUPPLEMENTARY INFORMATION:

Part A—General Background Information

The Commission is publishing this notice pursuant to Section 18 of the FTC Act, 15 U.S.C. 57a *et seq.*, the provisions of Part 1, Subpart B of the Commission's Rules of Practice, 16 CFR 1.7, and 5 U.S.C. 551 *et seq.* This authority permits the Commission to promulgate, modify, and repeal trade regulation rules that define with specificity acts or practices that are unfair or deceptive in or affecting commerce within the meaning of Section 5(a)(1) of the FTC Act, 15 U.S.C. 45(a)(1).

The Amplifier Rule was promulgated on May 3, 1974 (39 FR 15387), to assist consumers in purchasing power amplification equipment for home entertainment purposes by standardizing the measurement and disclosure of various performance characteristics of the equipment. On April 7, 1997, the Commission published a **Federal Register** Notice ("FRN") seeking comment on the Rule as part of an ongoing project to review all Commission rules and guides to determine their current effectiveness and impact (62 FR 16500). This FRN sought comment on the costs and benefits of the Rule, what changes in the Rule would increase its benefits to purchasers and how those changes would affect compliance costs, and whether technological or marketplace changes have affected the Rule. The FRN also sought comment on issues related to the Rule's product coverage, test procedures, and disclosure requirements.

The FRN elicited six written comments.[1] Two commenters expressed continuing support for the Rule because it has given consumers a standardized method of comparing the power output of audio amplifiers.[2] One commenter noted that industry use of this standardized testing method has created a level playing field among competitors.[3] Another commenter stated that the rule may initially have caused an increase in product prices, but ultimately manufacturers have responded by making better products at more affordable prices.[4] None of the four remaining commenters stated that the costs of the Rule exceeded its benefits, or that there were any other reasons why the Rule should be rescinded. On the basis of this review, the Commission has decided that the Rule provides benefits to consumers and industry and that there is a continuing need for the Rule.

The record also suggests that there have been technological and marketplace changes that may warrant modifications to the Rule. Accordingly, the Commission is publishing this ANPR seeking public comment on whether it should initiate a rulemaking by publishing a notice of proposed rulemaking ("NPR") under section 18 of the FTC Act, 15 U.S.C. 57a. The proceeding would address whether the Commission should (1) Amend certain required test procedures that may impose unnecessary costs on manufacturers; (2) eliminate certain disclosure requirements in media advertising; and (3) clarify testing procedures for self-powered speakers.

Part B—Objectives the Commission Seeks To Achieve and Possible Regulatory Alternatives

1. Modifications to the Amplifier Rule Preconditioning Requirements

a. Background

Section 432.3(c) of the Rule specifies that an amplifier must be preconditioned by simultaneously operating all channels at one-third of rated power output for one hour using a sinusoidal wave at a frequency of 1,000 Hz. The prior FRN questioned whether this preconditioning requirement should be modified. One comment stated that the Rule's preconditioning requirements do not reflect normal use conditions in the home and are leading some manufacturers to design amplifiers with excessively large and costly heat sinks, or to publish overly conservative power ratings.[5] Specifically, the commenter maintained that operating a typical amplifier at one-third of rated power for an hour represents a worst-case condition in terms of heat dissipation—one that exceeds the thermal stress that would be placed on the amplifier when operating at full rated power. The

[1] The commenters were: Phillips Sound Labs [Phillips](1); Fultron Car Audio [Fultron](2); Klipsch Audio and Home Theater Products [Klipsch](3); Miller & Kreisel Sound Corporation [MK](4); Consumer Electronics Manufacturers Association [CEMA](5); and Labtec Multimedia Speakers [Labtec](6). The comments are cited as "[name of commenter], Comment (designated number), p. __." All Rule review comments are on the public record and are available for public inspection in the Public Reference Room, Room 130, Federal Trade Commission, 6th and Pennsylvania Ave., NW., Washington, DC, from 8:30 a.m. to 5:00 p.m., Monday through Friday, except federal holidays.

[2] CEMA, (5), p. 2; Fultron, (2), p. 1.

[3] CEMA, (5), p. 3.

[4] Fultron, (2), p. 1.

[5] CEMA, (5), p. 5.

commenter states that § 432.3(c) is particularly burdensome for high power solid-state amplifiers during performance tests into 4 ohm loads. The commenter maintained that, as a result, many manufacturers must either refrain from publishing 4-ohm power specifications, publish 4-ohm power specifications that are lower than those the consumer could achieve in typical home use, or provide otherwise unnecessary heat sink capacity sufficient to protect the amplifier during preconditioning for ratings at higher and more realistic power output levels.[6] The commenter also noted that existing industry standard test methods, such as UL (Underwriters Laboratories) Standards 1492 and 6500, specify that amplifiers be preconditioned at one-eighth of rated power.[7]

b. Objectives and Regulatory Alternatives

The record suggests that § 432.3(c) should be amended to reflect more realistically the maximum thermal stress that amplifiers are likely to encounter during actual in-home use. Accordingly, the Commission seeks comment on whether the Commission should amend the rule to reduce the preconditioning power output requirement from one-third of rated power to a lower figure, such as one-eighth of rated power.

2. Amendment to Required Disclosures Section of the Amplifier Rule

a. Background

Section 432.2 of the Rule requires disclosure of maximum harmonic distortion, power bandwidth, and impedance whenever a power claim is made in any advertising, including advertising by retail stores, direct mail merchants, and manufacturers. In the FRN, the Commission solicited comment on whether there was a continuing need for the Rule to require disclosure of maximum harmonic distortion in media advertising, or whether such disclosure would be required only when maximum rated harmonic distortion exceeds a specified threshold level, such as one percent. In addition, the Commission solicited comment on whether certain types of advertising, such as that commonly used by retail stores to present basic price and feature information in a limited amount of space, should be exempted from some or all of the power bandwidth, distortion, and impedance disclosures.

[6] *Id.* at 4–5.

[7] *Id.* at 4.

The one comment that addressed this issue stated that total harmonic distortion below one percent has little meaning to consumers because it is inaudible, and it recommended that the Commission consider an exemption from disclosure of maximum rated harmonic distortion when rated distortion is at or below one percent.[8]

The Commission's own review of published specifications for currently marketed power amplification equipment for use in the home indicates that total harmonic distortion ratings in excess of one percent are very rare. The few exceptions are associated primarily with expensive vacuum tube power amplifiers occupying a highly specialized segment of the high fidelity market.[9]

b. Objectives and Regulatory Alternatives

It appears that improvements in amplifier technology since the Rule's promulgation in 1974 have reduced the benefits to consumers of disclosure in media advertising of total rated harmonic distortion. It also appears that an insufficient number of consumers would understand the meaning and significance of the remaining triggered disclosures concerning power bandwidth and impedance to justify their publication in media advertising. Accordingly, the Commission seeks comment on whether the Commission should initiate a rulemaking to amend the Rule to exempt media advertising, including advertising on the Internet, from disclosure of total rated harmonic distortion and the associated power bandwidth and impedance ratings when a power output claim is made.[10]

In order to ensure that consumers would not be misled by noncomparable power output claims that were based on differing impedance ratings, the exemption for media advertising would be conditioned on the requirement that the primary power output specification disclosed in any media advertising be the manufacturer's rated minimum sine wave continuous average power output, per channel (such as might be true for certain amplifiers used in self-powered speaker systems), at an impedance of 8 ohms, or, if the amplifier is not designed for an 8-ohm load impedance, at the impedance for which the amplifier is primarily designed.

All other power output claims currently subject to the Rule, however, including those appearing in manufacturer specification sheets that are either in print or reproduced on the Internet, would continue to trigger the requirement that the seller provide the full complement of disclosures concerning power bandwidth, maximum harmonic distortion, and impedance, so that interested consumers could obtain this information prior to purchase.

3. Rule Coverage of Self-Powered Loudspeakers for Use in the Home

a. Background

When the FRN was published, the Rule did not specifically mention self-powered speakers as an example of sound amplification equipment manufactured or sold for home entertainment purposes. In the FRN, the Commission solicited comment on its tentative conclusion that the Rule covers: (A) self-powered speakers for use with (i) home computers, (ii) home sound systems, (iii) home multimedia systems; and (B) other sound power amplification equipment for home computers. The Commission also solicited comment on additional issues related to coverage of self-powered speakers under the Rule, including whether the standard test conditions set out in the Rule are appropriate for such equipment.

In a Notice of Final Action published separately in this **Federal Register**, the Commission discusses the comments relating to the threshold question of Rule coverage of self-powered speakers, and issues a non-substantive amendment clarifying that the Rule applies to self-powered loudspeakers for use in the home.

The Commission received two comments that addressed the additional issue of whether or not the Rule's standard test conditions are appropriate for self-powered speakers. The principal trade association of the U.S. electronics industry (CEMA) supported applying the Rule to self-powered speakers. CEMA recommended, however, that the

[8] *ID.* at 6.

[9] Commission staff consulted the October, 1997 issue of *Audio* magazine to obtain the manufacturer's rating of total harmonic distortion for all receivers and separate power amplifiers included in the magazine's annual equipment directory. The published ratings show no receivers with total harmonic distortion exceeding one percent. Among separate power amplifiers, 11 models from 5 manufacturers, out of approximately 1000 models from nearly 200 manufacturers, carry total harmonic distortion ratings exceeding one percent. These 11 models range in price from $550 to $12,345. The average price of the 11 models is about $3,700.

[10] The record indicates, however, that maximum harmonic distortion ratings in excess of one percent are not sufficiently prevalent that the use of this figure as a threshold to govern disclosure requirements in media advertising would be meaningful. Thus, the suggested amendment does not limit the exemption to a maximum harmonic distortion rating of one percent or less, as previously proposed.

Rule be amended at a future date to incorporate a standard for measuring the volume of sound that a powered speaker can deliver into the listening environment, rather than the power that the amplifier can deliver to the speaker. This commenter stated that a voluntary industry standard for measuring the loudness of powered speakers was currently under development and could be incorporated into the Rule.[11]

The second commenter (Labtec) expressed concern that the Rule's current testing protocol is not compatible with combination speaker systems consisting of two or more amplifiers. For this reason, the commenter proposed that the Commission amend the Rule to specify a separate testing protocol and disclosure format for three-piece multimedia speaker systems comprised of a subwoofer and two or more satellite speakers that are powered by separate amplifiers that share a common power supply.[12]

According to this commenter, the subwoofer and satellite amplifiers in such combination systems are usually of different wattage per channel and are dedicated to different frequency bandwidths. The commenter stated further that if the Rule were interpreted to mean that power tests for these systems be conducted over the entire frequency bandwidth from 20Hz to 20kHz, with all channels of all amplifiers driven simultaneously, limitations in the common power supply would lower the maximum power output of the subwoofer and satellite amplifiers at test frequencies near the crossover frequency, where both sets of amplifiers would be operating near full capacity.[13]

The commenter also stated that the most conservative industry practice today is to measure the subwoofer and satellite amplifiers separately, and to disclose the maximum per-channel continuous power output of each amplifier over the bandwidth for which it was designed to operate. In this test protocol, the commenter stated, the two channels of the satellite amplifier are driven simultaneously, but without the subwoofer amplifier in operation. Similarly, the test for the subwoofer amplifier are conducted alone, with the satellite amplifier at idle. These ratings are then disclosed in a format such as: "20 watts RMS subwoofer, 10 watts RMS satellite (5w + 5w)." According to the commenter, such power ratings overstate somewhat the maximum per-channel power capability of each amplifier when all channels of both amplifiers are driven simultaneously at the crossover frequency.[14]

The commenter recommended that the Rule be amended to specify that power rating tests for combination subwoofer-satellite power speaker systems be conducted at the crossover frequency with all channels of all amplifiers operating simultaneously. The comment also suggested that manufacturers be allowed to publish the combined power output of the subwoofer and satellite amplifiers at this frequency, together with the individual per-channel output of each amplifier, *e.g.*, "25 watts total RMS power (17w+4w+4w) into 4 ohms @ 150 Hz with less than 1% THD."[15]

b. Objectives and Regulatory Alternatives

As discussed in the Notice of Final Action published separately in this **Federal Register**, the Commission has concluded that Rule coverage of self-powered speaker equipment for use in the home should not be delayed until an industry standard is developed for measuring and disclosing the volume of sound that such speaker systems can produce in the listening environment.

The Commission has also tentatively determined on the basis of the Rule review record that § 432.2(a)(2) of the Rule does not currently provide adequate guidance concerning the manner in which power ratings for combination subwoofer and satellite self-powered speaker systems should be conducted. Specifically, it may be insufficiently clear whether the Rule's stipulation that power measurements be made "with all associated channels fully driven to rated per channel power" requires manufacturers to conduct power ratings with all channels of both the subwoofer and satellite amplifiers driven simultaneously, or whether the Rule allows manufacturers of such equipment to test the subwoofer and satellite amplifiers separately.

The Commission is not prepared at this time to recommend that the Rule be amended to specify that per-channel power ratings for self-powered combination subwoofer and satellite speaker systems be conducted at the crossover frequency with all channels of all amplifiers operating simultaneously, as proposed by Labtec. The Commission does not have sufficient evidence to conclude that in-home use, under even strenuous conditions, typically would place maximum continuous power demands simultaneously on both the subwoofer and satellite amplifiers at the crossover frequency. Rather, such demands are more likely to occur in portions of the audio spectrum that would be assigned primarily either to the subwoofer amplifier or the satellite amplifier.

The Commission therefore believes that the most appropriate application of the Rule to self-powered subwoofer-satellite combinations would be to require simultaneous operation only of those channels dedicated to the same portion of the audio frequency spectrum. Accordingly, the Commission seeks comment on whether to initiate a rulemaking proceeding to clarify the Amplifier Rule by amending § 432.2 to include a note stating that, for self-powered combination speaker systems that employ two or more amplifiers dedicated to different portions of the audio frequency spectrum, only those channels dedicated to the same audio frequency spectrum need be fully driven to rated per channel power under paragraph 432.2(a)(2).

4. Rule Coverage of Automotive Sound Amplification Products

a. Background

The scope of the Amplifier Rule currently is limited to sound power amplification equipment intended for home entertainment purposes. The Rule does not apply to automotive sound amplification products. The Commission noted that promotional materials for these products appear to contain power output claims based on a variety of rating procedures. The Commission requested comment on the types of power rating and disclosure protocols currently used by manufacturers of automotive sound amplification products, and whether any of the sound power claims being made in connection with the sale and advertising of such equipment inhibit meaningful comparisons of performance attributes by consumers. The Commission also solicited examples of such claims and information establishing the scope and seriousness of the problem. Finally, the Commission asked for comment on what, if any, form of action was needed to increase the ability of consumers to make meaningful product comparisons in this industry.

The Commission received three comments on these issues. The commenters stated that power claims made for automotive sound amplification equipment frequently are higher than the corresponding RMS continuous power rating specified in the

[11] CEMA, (5), p. 7.
[12] Labtec, (6), p. 4.
[13] *Id.*
[14] *Id.* at 3.
[15] *Id.* at 4.

Rule. The commenters recommended that the Rule be extended to cover automotive sound amplification equipment.[16] None of the commenters, however, provided any specific examples of claims that might mislead consumers and lead to poor purchase decisions. Nor was any information provided on the prevalence or technical basis for claims that differ from the corresponding continuous power output rating used in the Rule. Finally, no evidence was provided indicating that the various power ratings currently in use are inhibiting meaningful comparisons by consumers.

Commission staff, prior to the issuance of the FRN, conducted a brief examination of current power output claims for automotive stereo equipment.[17] This examination suggests that manufacturers of original equipment and aftermarket dashboard radio-cassette or radio-CD players generally employ a rating system that yields a "peak" power output specification approximately twice as high as the continuous rating. Staff found no evidence, however, that this rating system misrepresents the relative power output of competing amplifiers, or that any confusion resulting from the system has led to a breakdown in the correspondence between the prices charged for competing amplifiers and their power output capabilities. Staff's inquiry also indicates that the FTC continuous rating protocol is the most common method of measuring the power output of specialized and generally more expensive aftermarket automotive sound reproduction equipment, such as separate power amplifiers and powered subwoofers.

b. Objectives and Regulatory Alternatives

The Rule review record suggests that certain power output ratings for automotive sound amplification equipment may differ from the ratings that would be obtained using a continuous power testing procedure similar to that specified in the Rule. As indicated, the record contains no evidence regarding whether such power output claims could impede the ability of consumers to make meaningful comparisons, or that the various ratings systems currently in use have significantly reduced the correspondence between the prices charged for competing auto sound amplification equipment and the power output of this equipment. In addition, staff's inquiry did not indicate that consumers may currently pay more for amplification equipment that is actually less powerful, or no more powerful, than competing equipment advertised with power disclosures that are derived using more rigorous test procedures. Thus, the record and Commission staff's inquiry uncovered no basis for concluding that consumers currently are unable to make meaningful comparisons in the automotive sound reproduction market. The Commission has concluded, therefore, that the existence of dissimilar power output rating methods by itself does not provide a sufficient showing of probable consumer injury to justify again seeking comment on this issue in this APNR.

Part C—Request for Comments

Members of the public are invited to comment on any issues or concerns they believe are relevant or appropriate to the Commission's consideration of whether to publish an NPR initiating a rulemaking proceeding to consider the previously discussed proposed amendments to the Amplifier Rule. The Commission requests that factual data upon which the comments are based be submitted with the comments. In addition to the issues raised above, the Commission solicits public comment on the specific questions identified below. These questions are designed to assist the public and should not be construed as a limitation on the issues on which public comment may be submitted. After considering the responses to this ANPR, if the Commission decides to commence a rulemaking proceeding, it must, under the Regulatory Flexibility Act, 5 U.S.C. 601–12, determine whether the proposed amendments would have a significant impact on a substantial number of small businesses. The Commission includes in this ANPR questions that will assist it in making such analysis.

The written comments submitted will be available for public inspection in accordance with the Freedom of Information Act, 5 U.S.C. 552, and Commission regulations on normal business days from 8:30 a.m. to 5:00 p.m. at the Federal Trade Commission, 6th St. and Pennsylvania Ave., N.W., Room 130, Washington, D.C. 20580.

Questions

A. Section 432.3(c) Preconditioning Requirement

(1) Should the Commission amend the Rule to reduce the preconditioning power output requirement from one-third of rated power to a lower figure, such as one-eighth of rated power?

B. Exemption From Required Disclosures

(2) Have post-1974 improvements in amplifier design and consequent reductions in typical levels of total harmonic distortion reduced the benefit to consumers of disclosure of rated total harmonic distortion in media advertising that contains a power output claim?

(3) Should the Commission amend the Rule to exempt disclosure of total rated harmonic distortion and the associated power bandwidth and impedance ratings when a power output claim is made in media advertising?

(4) If the Commission amends the rule to allow the above exemption, should this exemption be conditioned on the requirement that the primary power output specification disclosed in any media advertising be the manufacturer's rated minimum sine wave continuous average power output, per channel, at an impedance of 8 ohms, or, if the amplifier is not designed primarily for an 8-ohm impedance, at the impedance for which the amplifier is primarily designed?

C. Rule Coverage of Self-Powered Loudspeakers for Use in the Home

(5) Should the Commission clarify the Rule to specify that, for self-powered combination speaker systems that employ two or more amplifiers dedicated to different portions of the audio frequency spectrum, only those channels dedicated to the same audio frequency spectrum need be fully driven to rated per channel power under § 432.2(a)(2)? If not, should the Commission amend the Rule to specify that per-channel power ratings for such combination speaker systems be conducted at the crossover frequency with all channels of all amplifiers operating simultaneously?

D. Economic Effect, If Any, of the Proposed Amendments

(6) What costs and benefits to consumers and businesses, including manufacturers, retailers, or other sellers, would accrue from each of the three proposed Rule amendments?

(7) Would any of the proposed Rule amendments have a significant

[16] *See* Fulmer, (2), p. 1; Phillips, (1), p. 1; CEMA, (5), p. 9.

[17] Staff's inquiry included visits to several area auto stereo dealers, an inspection of retailer ads in the Washington Post, and an analysis of power output specifications published in recent catalogues for Crutchfield, a large mail-order retailer of auto stereo equipment.

economic impact on a substantial number of small businesses?

(8) Can that impact be quantified?

List of Subjects in 16 CFR Part 432

Amplifiers, Electronic products, Home entertainment products, Trade practices.

Authority: 15 U.S.C. 41–58.

Benjamin I. Berman,

Acting Secretary.

[FR Doc. 98–18204 Filed 7–8–98; 8:45 am]

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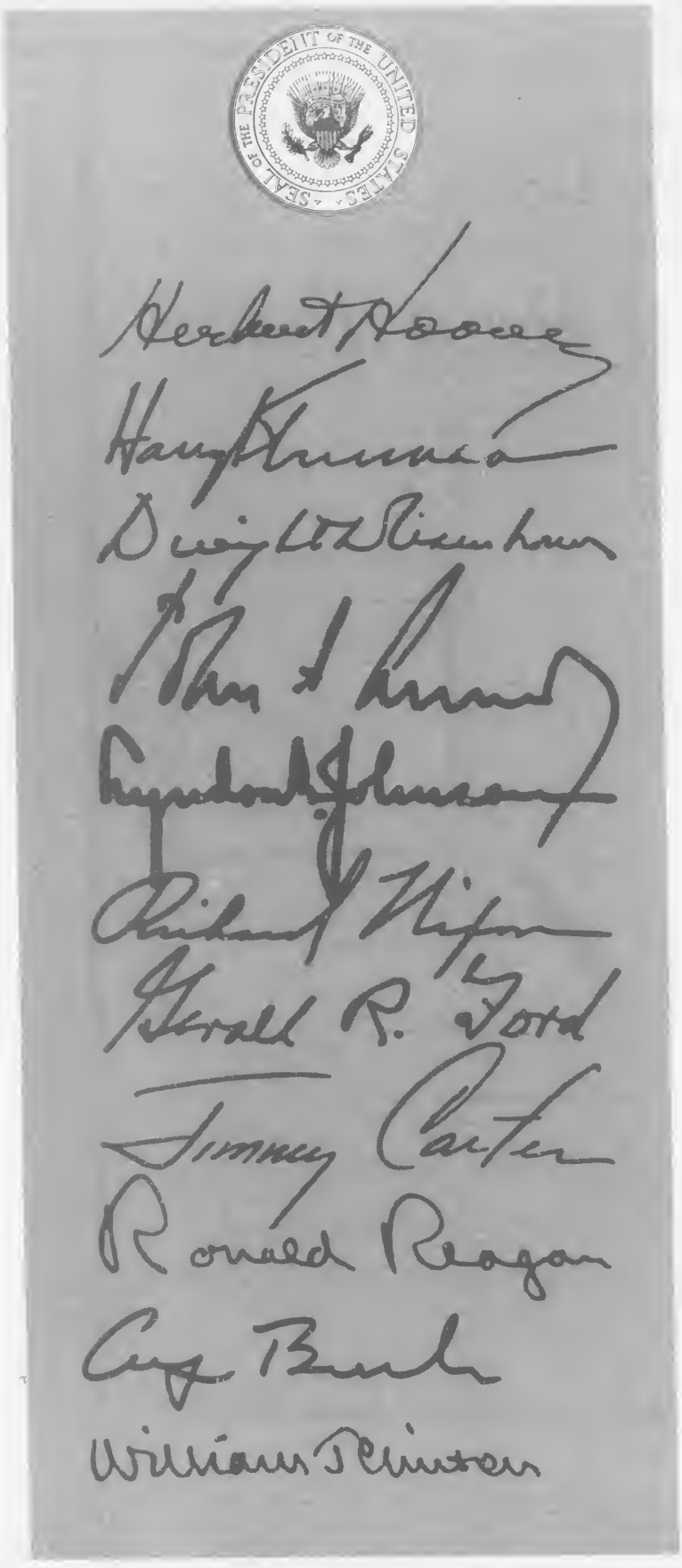

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