Dexter, Mo.—Dexter Muni., VOR/DME Rwy 36, Amdt. 1.
Kennett, Mo.—Kennett Memorial, VOR Rwy 35, Amdt. 1.
Malden, Mo.—Malden Muni., VOR Rwy 31R, Amdt. 5.
New Madrid, Mo.—County Memorial, VOR/DME–A, Amdt. 1.
Hobbs, N. Mex.—Lea County (Hobbs), VOR Rwy 3 (TAC), Amdt. 16.
Hobbs, N. Mex.—Lea County (Hobbs), VOR/DME Rwy 21 (TAC), Amdt. 3.
Camden, Tenn.—Benton County, VOR/DME Rwy 3, Amdt. 1.
Humboldt, Tenn.—Humboldt Municipal, VOR/DME–A, Amdt. 2.
Lexington, Tenn.—Franklin-Wilkins, VOR Rwy 33, Amdt. 8.
Savannah, Tenn.—Savannah-Hardin County, VOR/DMT Rwy 18, Amdt. 1.
Trenton, Tenn.—Gibson County, VOR/DME–A, Amdt. 3.
Union City, Tenn.—Everett-Stewart, VOR/DME–A, Amdt. 4.
Rock Springs, Wyo.—Rock Springs-Sweetwater County, VOR/DME Rwy 25, Amdt. 3.

2. By amending § 97.25 SDF–LOC–LDA SIAPs identified as follows:

* * * Effective December 1, 1977:

Tucson, Ariz.—Tucson International, LOC Rwy 11L, Amdt. 7, cancelled.
Tucson, Ariz—Tucson International, LOC (BC) Rwy 29R, Amdt. 6, cancelled.
Tucson, Ariz.—Tucson International, LOC/DME Rwy 11L, Original.
Tucson, Ariz.—Tucson Int'l, LOC/DME (BC) Rwy 29R, Original.
Hobbs, N. Mex.—Lea County (Hobbs), LOC/DME (BC) Rwy 21, Amdt. 1.
Appleton, Wis.—Outagamie County, LOC BC Rwy 21, Original.

3. By amending § 97.27 NDB/ADF SIAPs identified as follows:

* * * Effective December 15, 1977:

Benson, Minn.—Benson Municipal, NDB Rwy 14, Amdt. 1.

* * * Effective December 1, 1977:

Montgomery, Ala.—Dannelly Field, NDB Rwy 9, Amdt. 14.
Clarion, Iowa—Clarion Muni., NDB Rwy 14, Original.
Boston, Mass.—General Edward Lawrence Logan Int'l, NDB Rwy 4R, Amdt. 20.
Boston, Mass.—General Edward Lawrence Logan Int'l, NDB Rwy 22L, Amdt. 7.
Charleston, Mo.—Mississippi County Airport, NDB Rwy 36, Amdt. 1.
Dexter, Mo.—Dexter Muni., NDB Rwy 36, Amdt. 2.
Poplar Bluff, Mo.—Earl Fields Memorial, NDB Rwy 36, Amdt. 3.
Gothenburg, Nebr.—Gothenburg Muni., NDB Rwy 32, Original.
Paris, Tenn.—Henry County, NBD Rwy 1, Amdt. 6.
Paris, Tenn.—Henry County, NBD Rwy 19, Amdt. 5.
Union City, Tenn.—Everett-Stewart, NDB Rwy 18, Amdt. 5.
Union City, Tenn.—Everett-Stewart, NDB Rwy 36, Amdt. 3.

4. By amending § 97.29 ILS–MLS SIAPs identified as follows:

* * * *Effective December 1, 1977:*

Montgomery, Ala.—Dannelly Field, ILS Rwy 9, Amdt. 19.
Tucson, Ariz.—Tucson International, ILS Rwy 11L, Amdt. 6.
Fort Wayne, Ind.—Fort Wayne Municipal (Baer Field), ILS Rwy 4, Amdt. 3.
Boston, Mass.—General Edward Lawrence Logan Int'l, ILS Rwy 15R, Amdt. 2.
Cape Girardeau, Mo.—Cape Girardeau Muni, ILS Rwy 10, Amdt. 4.
Hobbs, N. Mex.—Lea County (Hobbs), ILS Rwy 3, Amdt. 1.

5. By amending § 97.31 RADAR SIAPs identified as follows:

* * * *Effective December 1, 1977:*

Boston, Mass.—General Edward Lawrence Logan Int'l, RADAR–1, Amdt. 5, cancelled.

6. By amending § 97.33 RNAV SIAPs identified as follows:

* * * *Effective December 1, 1977:*

Montgomery, Ala.—Dannelly Field, RNAV Rwy 3, Amdt. 3.
Hobbs, N. Mex.—Lea County (Hobbs), RNAV Rwy 12, Amdt. 1.

(Secs. 307, 313(a), 601, and 1110, Federal Aviation Act of 1958 (49 U.S.C. §§ 1348, 1354(a), 1421, and 1510); Sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)); Delegation: 25 FR 6489 and Paragraph 802 of Order FSP 1100.1, as amended March 9, 1973.)

NOTE.—The Federal Aviation Administration has determined that this document does not contain a major proposal requiring preparation of an Economic Impact Statement under Executive Order 11821, as amended by Executive Order 11949, and OMB Circular A–107.

Issued in Washington, D.C., on October 14, 1977.

JAMES M. VINES,
Chief, Aircraft Programs Division.

NOTE.—The incorporation by reference in the preceding document was approved by the Director of the Federal Register on May 12, 1969.

[FR Doc.77-30654 Filed 10-19-77;8:45 am]

[3510–25]

Title 15—Commerce and Foreign Trade

CHAPTER III—DOMESTIC AND INTERNATIONAL BUSINESS ADMINISTRATION, DEPARTMENT OF COMMERCE

PART 371—GENERAL LICENSES

Revision of General Licenses, Ship Stores and Plane Stores

AGENCY: Office of Export Administration, U.S. Department of Commerce.

ACTION: Final rule.

SUMMARY: The general license provision for ship stores and plane stores have been revised to permit the export of equipment and spare parts on board a vessel or aircraft registered in, owned or controlled by, or under charter or lease to a country included in Country Groups Q, W, and Y if export of the equipment and spare parts could be authorized under General License G–DEST.

EFFECTIVE DATE: October 26, 1977.

FOR FURTHER INFORMATION, CONTACT:

Mr. Charles C. Swanson, Director, Operations Division, Office of Export Administration, U.S. Department of Commerce, Washington, D.C. 20230, telephone 202–377–4196.

SUPPLEMENTARY INFORMATION: The Export Administration Regulations currently provide that equipment and spare parts necessary for the proper operation of a vessel or aircraft may be exported on board such vessel or aircraft provided such vessel or aircraft is not registered in, owned or controlled by, or under charter or lease to a country included in Country Group Q, W, Y, or Z (excluding Cuba in the case of aircraft), or a national thereof. The Regulations have been revised to permit exports in those cases where the equipment and spare parts are authorized for export to Q, W, or Y destinations under General License G–DEST.

Accordingly, Part 371 of the Export Administration Regulations (15 CFR Part 371) is amended by revising §§ 37.19 (a)(2) and 371.10(a)(2) as follows:

§ 371.9 General license ship stores.

(a) *Scope.* * * *

(2) Equipment and spare parts for permanent use on a vessel, when necessary for the proper operation of such vessel, may be exported on board a vessel of any registry, except a vessel registered in, owned or controlled by, or under charter or lease to a country in County Group Q, W, Y, or Z or a national of such country. Notwithstanding the above, equipment and spare parts for permanent use on a vessel, when necessary for the proper operation of such vessel, may be exported on board a vessel registered in, owned or controlled by, or under charter or lease to a country in Country Group Q, W, or Y or a national of such country if the equipment or spare parts are authorized to be exported to a destination in Country Group Q, W, or Y under General License G–DEST.

§ 371.10 General license plane stores.

(a) *Scope.* * * *

(2) Equipment and spare parts for permanent use on an aircraft, when necessary for the proper operation of such aircraft, may be exported on board an aircraft of any registry, except an aircraft registered in, owned or controlled by, or under charter or lease to a country in Country Group Q, W, Y, or Z (excluding Cuba) or a national of such country. Notwithstanding the above, equipment and spare parts for permanent use on an aircraft, when necessary for the proper operation of such aircraft, may be exported on board an aircraft registered in, owned or controlled by, or under charter or lease to a country in Country Group Q, W, or Y or a national of such country if the equipment or spare parts are authorized to be exported to a destination in Country Group Q, W, or Y under General License G–DEST.

(Sec. 4, Pub. L. 91–184, 83 Stat. 842 (50 U.S.C. App. 2403), as amended; E.O. 12002, 42 FR 35623 (1977); Department Organization order 10–3, dated Nov. 17, 1975, 40 FR 58876 (1975), as amended; and Domestic and International Business Administration Organiza-

tion and Function Orders 46-1, dated November 17, 1975, 40 FR 59764 (1975), as amended and 46-2, dated November 17, 1975, 40 FR 59761 (1975), as amended.)

RAUER H. MEYER,
Director, Office of Export Administration.

OCTOBER 14, 1977.

[FR Doc.77-30523 Filed 10-19-77;8:45 am]

[3510-25]

EXPORT OF HORSES BY SEA

Validated Licensing Requirements

AGENCY: Office of Export Administration, U.S. Department of Commerce.

ACTION: Final rule.

SUMMARY: This rule makes the export of horses by sea subject to validated licensing requirements and authorizes the issuance of such licenses where no horse in a consignment is being exported for purposes of slaughter. This rule is issued to implement a new provision of the Export Administration Act of 1969, as amended.

EFFECTIVE DATE: November 11, 1977.

FOR FURTHER INFORMATION CONTACT:

Mr. Charles C. Swanson, Director, Operations Division, Office of Export Administration, U.S. Department of Commerce, Washington, D.C. 20230. Telephone 202-377-4196.

SUPPLEMENTARY INFORMATION: Section 109 of the Export Administration Amendments of 1977 (Pub. L. 95-52) added a new section 4(k) to the Export Administration Act of 1969, as amended (the "Act"), providing as follows:

(k) (1) Notwithstanding any other provisions of this Act, no horse may be exported by sea from the United States, its territories, and possessions, unless such horse is part of a consignment of horses with respect to which a waiver has been granted under paragraph (2) of this subsection.

(2) The Secretary of Commerce, in consultation with the Secretary of Agriculture, may issue rules and regulations providing for the granting of waivers permitting the export by sea of a specified consignment of horses, if the Secretary of Commerce, in consultation with the Secretary of Agriculture, determines that no horse in that consignment is being exported for purposes of slaughter.

This revision implements Section 109. As of the effective date of these regulations, a validated license will be required for the export of horses by sea. Except as permitted under the saving clause below, as of the effective date such exports may not be made under General License. Applications for validated licenses may not cover more than one consignment of horses, and validate licenses will be issued only if the Department of Commerce, in consultation with the Department of Agriculture determines that no horse in such consignment is being exported by sea for purposes of slaughter.

SAVING CLAUSE

Shipments of horses for export from the United States by sea for purposes other than slaughter which are on dock for lading, on lighter, laden aboard an exporting carrier, or in transit to a port of export prior to 12:01 a.m., November 11, 1977, pursuant to actual orders for export, may be exported under the previous general license provisions up to and including November 25, 1977. Any such shipment not laden aboard the exporting carrier on or before November 18, 1977, will require a validated license for export from the United States. This savings clause does not apply to shipments of horses for purposes of slaughter.

Accordingly, the Export Administration Regulations (15 CFR Part 368 *et seq*) are amended as follows:

PART 371—GENERAL LICENSES

1. Section 371.4 is revised to read as follows:

§ 371.4 General license GIT, intransit shipments.

* * * * *

(b) *Shipments Excepted from the Provisions of General License GIT.* In addition to the prohibited shipments listed under § 371.2(c), the following may not be exported or reexported from the United States under General License GIT:

(1) Commodities shipped to the United States under the provisions of an International Import Certificate, Form DIB-645P or FC-826;

(2) Commodities disposed of by U.S. Government agencies under foreign excess property disposal programs; (3) Commodities destined for the Republic of South Africa or Namibia (South West Africa); and (4) Horses for export by sea.

* * * * *

PART 376—SPECIAL COMMODITY POLICIES AND PROVISIONS

2. The following § 376.3 is added to Part 376:

§ 376.3 Horses for export by sea.

An application for a license to export horses by sea may not cover more than one consignment. In addition to the documentation required by Part 375 of this chapter, the application shall be accompanied by a statement from the applicant detailing the purpose or purposes for which the horses are being exported. The license will be granted only if the Department, in consultation with the Department of Agriculture, determines that no horse in that consignment is being exported for the purpose of slaughter.

PART 399—COMMODITY CONTROL LIST AND RELATED MATTERS

§ 399.1 [Amended]

3. Section O of the Commodity Control List, incorporated by reference at 15 CFR § 399.1(a).

(Sec. 4, Pub. L. 91-184, 83 Stat. 842 (50 U.S.C. app. 2403), as amended; E.O. 12002, 42 FR 35623 (1977); Department Organization Order 10-3, dated Nov. 17, 1975, 40 FR 56876 (1975), as amended; and Domestic and International Business Administration Organization and Function Orders 46-1, dated November 17, 1975, 40 FR 59764 (1975), as amended and 46-2, dated November 17, 1975, 40 FR 59761 (1975), as amended.)

RAUER H. MEYER,
Director, Office of Export Administration.

OCTOBER 14, 1977.

[FR Doc.77-30566 Filed 10-19-77;8:45 am]

[6355-01]

Title 16—Commercial Practices

CHAPTER II—CONSUMER PRODUCT SAFETY COMMISSION

SUBCHAPTER B—FLAMMABLE FABRICS ACT REGULATIONS

PART 1615—STANDARD FOR THE FLAMMABILITY OF CHILDREN'S SLEEPWEAR: SIZES 0 THROUGH 6X (FF 3-71)

PART 1616—STANDARD FOR THE FLAMMABILITY OF CHILDREN'S SLEEPWEAR: SIZES 7 THROUGH 14 (FF 5-74)

Method for Establishment and Use of Alternate Laundering Procedures

AGENCY: Consumer Product Safety Commission.

ACTION: Final rules.

SUMMARY: In this document the Commission sets out procedures manufacturers must follow to apply for Commission approval of alternate laundering procedures for flammability testing, as provided in the Standards for the Flammability of Children's Sleepwear in Sizes 0-6X and 7-14. The document also describes the criteria the Commission will follow in evaluating applications. The Commission has had similar procedures in effect on an interim basis since August 19, 1974.

EFFECTIVE DATE: These rules are effective immediately on October 20, 1977.

FOR FURTHER INFORMATION CONTACT:

Margaret Neily, Engineering and Science, Consumer Product Safety Commission, Washington, D.C. 20207, 301-492-6604.

SUPPLEMENTARY INFORMATION: Section 1615.4(g)(4)(ii) of the standard for children's sleepwear in sizes 0 through 6X (FF 3-71, 16 CFR Part 1615) and § 1616.5(c)(4)(ii) of the standard for children's sleepwear in sixes 7 through 14 (FF 5-74, 16 CFR Part 1616) require that all fabrics and certain garments subject to the standards be tested for flammability as produced (or after one washing and drying), and after the items have been washed and dried 50 times in prescribed household washing and drying machines, using the procedure spec-

ified in AATCC Test Method 124–1969.[1] This procedure is designed to simulate actual use of finished garments and to help evaluate the permanence of the flame retardant treatments that were applied during manufacture of fabrics and garments. The paragraphs in the standards also provide that, alternatively, items may be laundered a different number of times under another washing and drying procedure if the Commission finds that such an alternate laundering procedure is equivalent to the laundering procedure specified in the standards.

Three separate but related petitions with respect to the laundering provisions in the children's sleepwear standards were submitted to the Commission.

On October 25, 1973, "Ramcon, Inc.," research and management consultants, filed an application (FP 74–4) on behalf of itself, Cotton Incorporated (stated to be the research and marketing organization of American cotton growers), National Cotton Council, and "other organizations, manufacturers, and individuals," for approval of an alternate washing procedure, employing a newly invented machine called the Laundri-Lab Tester." Ramcon stated that the machine and its proposed washing procedure can simulate the effect of the laundering procedure of the standards, insofar as removal of fire retardant treatments is concerned, and accomplish this in a much shorter time period (approximately one hour) with much less water and energy expenditure than is possible under the 50 cycle AATCC procedure.

"M. Lowenstein & Sons, Inc.," filed an application (FP 74–10) on October 25, 1973, requesting that the number of launderings required for its Firegard (R) 100 percent polyester fabric be reduced to zero. It based this request on submitted test data indicating that the flammability of such fabric is unaffected by, or perhaps slightly reduced by, the 50 launderings prescribed in the standards.

"Man-Made Fiber Producers Association, Inc.," filed an application (FP 74–12) on December 20, 1973, requesting exemption of flame resistant acetate fabric from the prescribed production unit laundering procedure, also on the basis of submitted data indicating that the flammability of such fabric is unaffected by, or perhaps slightly reduced by the 50 prescribed launderings.

In response to these petitions, the Commission published a proposed method to be used for approval of alternate laundering procedures (39 FR 29951, August 19, 1974). The Commission solicited public comment and stated that the proposed method could be used on an interim basis pending final adoption. These interim approvals as well as subsequent revalidations shall continue in effect.

The regulations issued herein provide criteria for determining approval of alternate laundering procedures and constitute final disposition of the three petitions described above.

RESPONSE TO PROPOSAL OF AUGUST 19, 1974

In response to the proposal, comments were received from a manufacturer of soaps and detergents, a retailer, a consulting firm, an association of cotton producers, an association of fiber producers, an association of textile manufacturers, and an association of apparel manufacturers.

Five commenters express general approval of the proposal; however, all commenters request modification of one or more of the provisions of the proposed method for approval of alternate laundering procedures. The principal issues raised by the comments and the Commissions' response to those issues are as follows:

A. *Criteria for approval.* Section 3 of the proposed method (which is found at section (f) of the final procedures published below) requires that applications to the Commission for use of an alternate laundering procedure be accompanied by test data that compare results obtained by testing 20 specimens after laundering using the 50-cycle procedure specified in the standards with results obtained by testing 20 specimens after laundering using the alternate procedure set out in the application. This paragraph further requires that before the Commission will approve the laundering procedure, testing of the 20 specimens laundered with the alternate laundering procedure must yield as many or more char lengths in excess of five inches as testing of the 20 specimens laundered by the 50-cycle procedure specified in the standards.

For the purposes of this method, an alternate laundering procedure may consist of but would not be limited to accelerated laundering procedures, of less than the 50-cycle laundering procedures specified in the standards, or zero laundering. However, for zero launderings as for all other proposed alternate laundering procedures the equivalence of test results must be periodically reverified as required herein. (While acceptance by the Commission of zero launderings as an alternate laundering procedure is equivalent to an exemption from the laundering procedure during production testing, this factor in no way eases the other requirements for production testing set forth in the standards.)

1. *Showing of equivalence.* The manufacturer of soaps and detergents suggests that this paragraph should be changed to require that testing after use of the proposed alternate laundering must produce char lengths in excess of seven inches to assure the Commission that the alternate laundering procedure procedure is capable of accurately predicting quality control failures. (The test criteria of both standards include a requirement that the average char length of specimens shall not exceed seven inches).

The Commission declines to make the change requested because both standards provide that the Commission may approve the use of an alternate laundering procedure if that procedure is the "equivalent" of the 50-cycle procedure specified in the standards. The change requested in this comment would add an additional requirement for the alternate laundering procedure, which would make the alternate procedure more stringent than the 50-cycle method specified in the standards.

Fabric and garment production units tested after exposure to an approved alternate procedure must still provide an average char length of five specimens which does not exceed seven inches; therefore, the Commission does not believe the requested change is necessary.

2. *Other test criteria of the standards.* The association of textile manufacturers suggests that a statement should be added to section 3 (now section (f) below) to provide that the alternate laundering procedure must produce results which meet the test criteria for the applicable standard, in addition to producing as many char lengths in excess of five inches as the 50-cycle laundering procedure. The Commission believes it is unnecessary to add the suggested statement because it is clear that substituting an alternate laundering procedure does not relieve manufacturers from meeting all the other requirements in the standards. Therefore, the Commission has not made the suggested change.

3. *Char lengths.* The retailer notes that section 3 of the proposal requires that test results of an alternate laundering procedure must yield as many or more char lengths in excess of 5 inches as do test results of the 50-cycle laundering procedure and suggests that, instead, the average char lengths obtained from testing specimens laundered by the alternate laundering procedure should be compared with the average of char lengths obtained from testing specimens after laundering by the 50-cycle procedure specified in the standards to assure a sufficiently stringent basis for approval.

In developing the proposal, the Commission considered using a comparison of average char lengths for each of the 20 samples to determine acceptability or unacceptability of an alternate laundering procedure. However, the Commission decided that if it relies on a comparison of averages, it may not detect individual specimen char lengths approaching the maximum 10-inch char length permitted in the standards.

The test criteria in the standards (16 CFR 1615.3(b) and 16 CFR 1616.3(b)) establish limiting requirements for both average char lengths and the number of full specimen burns. Any criterion used to approve an alternate laundering procedure must demonstrate that the alter-

[1] Available in Technical Manual of the American Association of Textile Chemists and Colorists, Vol. 46, 1970, published by AATCC, Post Office Box 12215, Research Triangle Park, N.C. 27709.

nate procedure conditions the fabric in the same manner as the 50-cycle laundering procedure with respect to these two characteristics for the tested fabrics.

The Commission believes comparison of the count of the number of chars exceeding five inches in length for specimens laundered both ways is a simple and fair criterion to determine equivalency of the two laundering procedures. The criterion reveals both the average char lengths and the number of full length chars. If all specimen chars are less than five inches in length regardless of laundering method, then the alternate method is automatically accepted. For fabrics which may have a high probability of being marginally acceptable or unsafe after laundering according to the 50-cycle procedure, a mathematical analysis shows only a small risk that an alternate laundering procedure would accept these fabrics.

The Commission concludes that the criterion for approval of an alternate laundering procedure specified in the proposal of August 19, 1974, provides adequate safeguards that a CPSC-approved alternate laundering procedure would have no higher likelihood of accepting marginal or unacceptable items than does the 50-cycle laundering procedure. The criterion for approval of alternate laundering procedures in the proposal has the additional advantage of simplicity in computation and administration. Therefore no change has been made to the criteria for approval of alternate laundering procedures, which are found at section (f) of each of the procedures issued below.

4. *Guaranties.* The retailer points out that both of the children's sleepwear standards allow a sleepwear manufacturer to rely on a guaranty issued under section 8 of the Flammable Fabrics Act that the fabric used in the specific garments meets the acceptance criterion of the respective standards after laundering, and therefore all reference to the submission of comparative laundering test data on garments is unnecessary and should be removed from this proposal.

This comment appears to be based on the erroneous assumption that all sleepwear manufacturers receive guaranties from fabric manufacturers. There is no statutory requirement that fabric manufacturers provide a guaranty and, if they do not, the sleepwear manufacturer must test garments after laundering. In addition, sleepwear garment manufacturers must launder and test items that are produced from fabrics that were not intended or promoted for use in children's sleepwear.

For these reasons the Commission considers the procedures issued below to apply to both garment and fabric testing.

5. *Independent laboratory testing.* The proposal advised that the Commission would verify equivalency of any procedure by independent testing by or on behalf of the Commission. The consulting firm questioned whether independent laboratory tests of alternate laundering procedures performed on behalf of manufacturers would be acceptable to the Commission. The Commission has never excluded such an arrangement between a manufacturer and an independent testing laboratory. However, the manufacturer would have the ultimate responsibility for assuring that the requirements are met.

B. *30-day period to determine approval.* Section 4 of the proposal set a period of 30 days in which the Director of Compliance (now the Associate Executive Director for Compliance and Enforcement (AED, C&E)) would affirmatively reject, either orally or in writing, an application for a proposed alternative laundering procedure. If a rejection were not received within the prescribed time, the applicant would consider the proposal to be acceptable and begin applying it in production. Provision was also made for the AED, C&E to extend the consideration period at his or her discretion. The provisions for approval and use of alternate laundering procedures are found at sections (c) of the procedures issued below.

1. *Need for 30-day period.* The association of cotton producers and the consulting firm object to the 30-day waiting period set out in this section because they claim that the criteria for determining acceptability of the alternate laundering procedures are so well defined as to negate the need for prior Commission approval.

The Commission observes that the language of the standards requires that each alternate laundering procedure shall have "previously been found to be equivalent by the Consumer Product Safety Commission." This procedure permits persons to submit appropriate data and thereby expedites Commission review. The decision on equivalency, however, must be made on an individual basis. Every effort will be made to expedite the review process, even where further information may need to be submitted by an applicant. However, the Commission believes that the 30-day period for review is reasonable and necessary, and the AED, C&E may, of course, extend the review period as specified in section (c)(1).

2. *Written approval.* Section 4 of the proposal states that an applicant for an alternate laundering procedure may begin to use the procedure 30 days after the application is received by the AED, C&E unless oral or written notification to the contrary is received by the applicant.

The Commission notes that approvals to use alternate laundering procedures were made in writing during the interim period following publication of the proposal. Since approvals in writing assure the manufacturer an accurate record and since written approvals already made have not caused administrative inconvenience, sections (c)(1) below provide that applicants will now normally be sent written approvals to begin alternate laundering procedures within 30 days of receipt of the application by the AED, C&E but the AED, C&E may extend the time and may at his or her discretion, allow the applicant to use the alternate procedure pending his final action.

3. *Different fabrics.* The same association of cotton producers raises the question as to what constitutes a "particular fabric" as used in the opening sentence of section 4 of the proposal.

The Commission intends the term to apply to a fabric with a specific set of specifications and specific identity. In meeting those specifications, deviations resulting from normal operating tolerance will not be considered as different fabrics under this definition. On the other hand, if a change in fabric construction, i.e., from a woven fabric to a knit, was intentionally instituted by the manufacturer, the fabric in question would no longer be considered to be a "particular fabric" within the meaning of this section. To clarify this matter, sections (a)(3) have been added below.

C. *Three-month revalidation requirement.* Section 5 of the proposal (see sections (d) in the procedures issued below) specifies that all the testing described in section 3 (now sections (b) below) shall be repeated for fabrics or garments from current production at least once for every three-month period during which any such fabrics or garments are produced. It further requires that the original test data be submitted to the Commission and that the subsequent data be maintained and be available for Commission inspection.

1. *Need for revalidation requirement.* The consulting firm and the association of cotton producers oppose as unnecessary and burdensome the idea of having to confirm every three months that the alternate laundering procedure adopted continues to show correlation.

The Commission does not agree with this comment. The variability within the various finishing processes necessitates the revalidation of the alternate laundering procedures at periodic intervals to demonstrate that the alternate method is a valid substitute for the 50-cycle laundering specified in the standards, and that the comparison of test results remains consistent. Therefore, the Commission declines to remove the three-month revalidation requirement. However, a modification has been made in the revalidation requirement. See paragraph, 2 following.

2. *Number of revalidations.* The consulting firm and the association of textile manufacturers propose a limitation on the reconfirmation requirement. The former proposes that the requirement should be reduced to a reconfirmation every twelve months after three successful efforts. The latter asks that the reconfirmation test be made at no less than six-month intervals.

The Commission has reconsidered that part of section 5 of the proposal requiring reconfirmation of an alternate laundering procedure every three months for the duration of the production of the fabric or garments in question. It is the decision of the Commission that after four successive consistently acceptable correlations between the alternate laun-

dering procedure and the 50-cycle laundering procedure of the standard performed at the prescribed three-month intervals, a sufficient showing will have been made to demonstrate that the alternate laundering procedure is an acceptable substitute for the 50-cycle laundering procedure and no further revalidation will be required. The four successive tests as described above may begin at any time after initial approval has been granted. The appropriate language is being added to sections (d) of the procedures issued below to reflect this change.

3. *Revalidation test failures.* The association of fiber producers, the association of textile manufacturers and the association of apparel manufacturers objected to sections 5 and 6 of the proposal which require that if any items do not meet the criteria in revalidation testing, the use of the alternate laundering procedure must be stopped immediately. They state the procedure does not take into account the occurrence of an occasional "anomalous" test result before automatically rejecting the correlation between the alternate procedure and the 50-cycle procedure. They suggest that an expanded revalidation procedure be permitted to confirm or refute the test failure prior to that invalidation.

The Commission recognizes the possibility that an occasional abberational result may occur in making the required correlations and agrees that it would be unfair to automatically reject an alternate laundering procedure on this basis. Therefore, the Commission will give an applicant a "second chance" to achieve the necessary validation in such situations. In order to do this, the Commission is adding additional criteria that must be met in order to revalidate in the event of the occurence of the above discussed situation. This additional language encompassing a double sampling plan is found at the end of sections (e) (2) of the procedures below.

D. *Reapplication requirement.* Section 7 of the proposal specifies that the use of an alternate laundering procedure for a particular fabric or garment which has been discontinued because of its failure to meet the criteria of section 3 shall not be resumed without making a written reapplication to the Commission requesting such resumption. The application should give facts or reasons to show that the alternate procedure is reliable, notwithstanding the previous failure of the procedure to meet the criteria of section 3.

1. *Need for reapplication.* The association of cotton producers and the consulting firm object to the requirement that after an alternate laundering procedure has been discontinued because of its failure to meet the requisite criteria of section 3, an applicant is required to reapply before renewing use of that method.

As discussed earlier in this notice, these same two commenters questioned the need for soliciting prior Commission approval before initially instituting an alternate laundering procedure. The Commission stated it believes that prior approval, in addition to being required by the standards, provides better control over the use of alternate laundering procedures that may be questionable or of a borderline nature. Possible problems involving revalidation tests illustrate the importance of prior approval to assure that any proposed alternate laundering procedure is proven acceptable by experience.

For this reason the Commission retains the reapplication requirements of section 7 of its proposal in section (e) (2) below.

2. *Purpose of reapplication.* The association of fiber producers and the association of apparel producers suggest that in order to clarify section 7, the phrase "* * * to give equivalent results as defined in paragraph 3," be added to the final sentence of section 7.

The Commission agrees that the last sentence of section 7 is in need of clarification in order to avoid any confusion as to the meaning of the word "failure" as used therein. Accordingly, the Commission is clarifying sections (e) (2) as issued below.

E. *Retention of 50-cycle procedure for compliance testing.* Section 8 of the proposal states that for the purpose of determining compliance with the standards, the Commission will rely on testing using the 50-cycle laundering procedure prescribed therein.

The consulting firm, while accepting the Commission's decision to rely on the 50-cycle procedure in determining compliance, reiterated an earlier position taken by them to the effect that the 50-cycle laundering procedure is awkward and purely arbitrary, having no demonstrable relationship to home laundering and drying.

In responding to this comment it will be helpful to give a brief background on how the 50-cycle laundering procedure became part of the Standards for Flammability of Children's Sleepwear.

When the standards were being developed, the 50-cycle procedure using AATCC Method 124–1969 was selected as the method for evaluating the durability of flame-retardant treatments because it (1) most nearly duplicated actual conditions by utilizing a conventional washer and dryer such as may be found in an average home, and (2) involved a standard acceptable test method for evaluating the overall durability of any flame retardant system. Further, the AATCC method was an existing voluntary standand which could readily be adopted by reference.

The Commission is unaware of data on any other procedure now in existence that shows the same acceptability for measuring the durability of flame-retardant system as does AATCC Method 124–1969 and is therefore satisfied that it should be retained.

F. *Different colors or print patterns.* Section 9 of the proposal states that alternate laundering procedures shall not be used for determining whether different colors or print patterns of the same fabric may be included in a single fabric or garment production unit.

The association of cotton producers objects to this limitation and suggests that retesting of a fabric should not be required when the only change from a previously tested fabric is the print pattern of the same color composition.

It is the Commission's opinion that altering the color and/or print pattern of a fabric or garment may have an effect on its flammability by increasing or decreasing one of the factors which may be responsible for flame spread. No evidence has been offered by this or any other commenter to refute this opinion. Therefore, it is the Commission's decision that section 9 be retained as proposed with the exception of an editorial deletion. The words "prototype testing or" were mistakenly included in section 9. The standards do not require laundering of prototypes, and inclusion of such a requirement in any alternate laundering procedure is inappropriate. Therefore, these words are being excluded from sections (a) (3) as issued below.

G. *Recordkeeping provision.* Section 10 of the proposal requires that records of all applications for alternate laundering procedures filed with the Commission and of all correlation tests be maintained by the applicant for the duration of the usage of those procedures and for three years thereafter.

In response to this proposal comments were received from the association of textile manufacturers, the association of fiber producers and the association of apparel manufacturers claiming that the requirement would become quite cumbersome for units produced over a span of years. They therefore proposed that only the records supporting the original application and the original correlation data be maintained for the period specified in section 10 and that the records of the interim verification data be maintained only for three years.

As discussed earlier in this notice and reflected below in sections (d), the Commission is limiting the correlation requirement to four consistently acceptable correlations done at three month intervals following initial approval of the alternate laundering procedure. It is the Commission's belief that this change will substantially lessen the recordkeeping requirements described below in sections (h).

H. *Effective date.* Because these rules are procedural, the delayed effective date provisions of the Administrative Procedure Act, 5 U.S.C. 553(d) do not apply, and these rules become effective on October 20, 1977. However, even if these provisions of the Administrative Procedure Act were considered to apply, the Commission finds for good cause that these rules should be effective upon publication. The Commission makes this finding because, in essence, the rules have been in effect since the proposal was published on an interim basis on August 19, 1974 (39 FR 29951). Also, it would be of assistance to persons subject to the rules, to have the regulations effective as soon as possible, so that they can proceed to comply with the requirements.

Any approval of an alternative laundering procedure that was granted under the interim procedures published at 39 FR 29951, as well as subsequent revalidations, will continue in effect under these rules.

CONCLUSION AND ADOPTION OF METHOD FOR ESTABLISHMENT AND USE OF ALTERNATE LAUNDERING PROCEDURES

Therefore, pursuant to provisions of the Flammable Fabrics Act (sec. 5, 67 Stat. 112–13, amended 81 Stat. 571; 15 U.S.C. 1194), and under authority vested in the Commission by the Consumer Product Safety Act (Pub. L. 92–573, sec. 30(b), 86 Stat. 1231; 15 U.S.C. 2079(b)), the Commission adopts the following method for establishing alternate laundering procedures under the Standards for the Flammability of Children's Sleepwear, FF 3–71 and FF 5–74. Accordingly, Title 16, Code of Federal Regulations, Chapter II, Subchapter B is amended as follows:

1. By adding a new § 1615.32 to read as follows:

§ 1615.32 Method for establishment and use of alternate laundering procedures under section 4(g)(4)(ii) of the standard.

(a) *Scope.* (1) Section 4(g)(4)(ii) of the Standard for the Flammability of Children's Sleepwear in sizes 0–6X (16 CFR 1615.4(g)(4)(ii)) requires that all fabrics and certain garments subject to the standard be tested for flammability as produced (or after one washing and drying) and after the items have been washed and dried 50 times in prescribed household washing and drying machines, using the procedure specified in AATCC Test Method 124–1969.[3] This section also provides that items may be laundered a different number of times under another washing and drying procedure if the Commission finds that such an alternate laundering procedure is equivalent to the procedure specified in the standard.

(2) This rule provides the procedures to be followed by persons seeking Commission approval for alternate laundering procedures. It also provides the criteria the Commission will use in evaluating the applications.

(3) The alternate laundering procedures provided for in this section apply only to procedures under section 4(g)(4)(ii) of the standard and shall not be used for determining whether different colors or different print patterns of the same fabric may be included in a single fabric or garment production unit.

(4) As used in this section, fabric means fabric or related material promoted or intended for use in children's sleepwear made to identical specifications and containing the same identity while in production.

(b) *Application procedure.* (1) Applicants seeking approval for use of an alternate laundering procedure under section 4(g)(4)(ii) of the standard must submit the following information in writing to the Associate Executive Director for Compliance and Enforcement, Consumer Product Safety Commission, Washington, D.C. 20207:

(i) A detailed description of the proposed alternate laundering procedure, and a 6 in. by 6 in. swatch of the fabric or garment for which the procedure is proposed.

(ii) Upon request of the Commission staff, any other information concerning the procedure and/or any machine used in connection with it.

(iii) With regard to each fabric or garment for which an alternate laundering procedure is sought, test data comparing twenty test specimens washed and dried by the proposed alternate laundering procedure and twenty specimens tested in accordance with the 50-wash and dry cycle procedure required in section 4(g)(4)(ii) of the standard. (For purposes of applications, similar fabrics or garments of different finishes shall be considered as different fabrics or garments and therefore separate test results must be submitted). Each group of twenty specimens upon which these data are based must be cut for testing, half in the machine direction and half in the cross machine direction. Where the applicant manufactures the fabric or garments in more than one plant, the data described in this paragraph must be submitted separately for the fabric or garments of each plant for which the proposed alternate laundering procedure is intended to be used. Subsequent applications for use of the same procedure for additional fabrics and garments may incorporate portions of the original application by reference, as appropriate.

(2) Applications shall be certified by the chief executive officer of the applicant or the official to whom the duty to certify has been delegated in writing. The Commission's Associate Executive Director for Compliance and Enforcement (AED, C&E) must be notified and in writing of any such delegation.

(c) *Use of alternate laundering procedure.* (1) The applicant may begin to use the alternate laundering procedure 30 days after the application is received by the AED, C&E unless notified to the contrary. The AED, C&E will normally furnish an applicant with written notice of approval within 30 days. The applicant may be notified that a longer time is needed for evaluation of the application and, in the discretion of the AED, C&E may be authorized to use the alternate laundering procedure pending the final decision. The notice of approval shall be kept by the applicant with other written records required to be maintained in connection with the use of an alternate laundering procedure. So that applicants may ascertain that the application has been received and when the 30-day period has elapsed, it is suggested that applications be sent by certified mail, return receipt requested.

(2) As provided in detail in paragraph (e) of this section, applicants must immediately discontinue use of an alternate procedure and must immediately notify the AED, C&E if there are test failures during revalidation testing.

(d) *Revalidation testing.* (1) In order to assure a continued satisfactory correlation between the alternate laundering procedure and the laundering procedure of the standard, applicants shall perform all the testing described in paragraph (b)(1)(iii) of this section for fabrics or garments from current production at least once for every three-month period during which any of the fabric or garments are produced.

(2) If following initial approval, four successive comparisons of the alternate and the 50-cycle methods as described in paragraph (d)(1) of this section, consistently show acceptable results under the criteria specified by paragraph (f) of this section, the Commission will deem such comparisons to be sufficient demonstration of the equivalence of the alternate laundering procedure with the 50 launderings required in the standard and further revalidation testing will not be required.

(3) Records of revalidation testing need not be submitted to the AED, C&E. However such records must be maintained in accordance with paragraph (h) of this section.

(e) *Revalidation testing failures.* (1) If revalidation testing for any fabric or garment does not meet the criteria of paragraph (f) of this section, the applicant must immediately discontinue use of the alternate laundering procedure for that fabric or garment and must immediately notify the AED, C&E in writing of the failure to meet the criteria. Also, the testing from the production unit from which the non-correlating samples were taken and the testing from subsequent production units (if any) must be repeated immediately using the laundering procedure prescribed in the standard. These repeat tests shall then be the tests applicable to such production unit(s) and the tests previously performed on the production unit(s) shall be considered invalid.

(2) When use of an alternate laundering procedure for a particular fabric or garment has been discontinued because of a failure to meet the criteria of paragraph (f) of this section, the alternate laundering procedure shall not be used again unless a new application for approval is submitted to the AED, C&E and he or she approves the application in writing. In addition to the other information required for applications, the additional application should give facts or reasons showing why the applicant believes the procedure should be considered reliable with the fabric or garments involved, in view of previous failure.

(f) *Commission criteria for evaluating applications.* (1) The AED, C&E will approve the alternate laundering procedure as equivalent to the laundering procedure specified in section 4(g)(4)(ii) of the standard if testing from the 20 specimens laundered by the proposed alternate pro-

[3] American Association of Textile Chemists and Colorists. Technical Manual. Vol. 46, 1970.

cedure yields as many or more char lengths in excess of five inches as does testing from the twenty specimens laundered by the 50-laundering cycle method prescribed in the standard.

(2) If the alternate laundering procedure yields fewer char lengths in excess of five inches than does the 50-wash and dry cycle, then the AED, C&E will not consider the alternate procedure equivalent, with the following exception: If the number of five-inch chars for the alternate procedure is within one of the number of five-inch chars obtained for the 50-cycle procedure, the applicant may repeat the original test with new specimens and if the combined results of both tests show the count of chars exceeding five inches for the alternate is equal to, or greater than, the count for the 50-wash cycle procedure, the AED, C&E will approve the alternate laundering procedure.

(g) *Commission testing for compliance.* (1) For the purpose of determining compliance with the standard, the Commission will rely on testing employing the laundering procedure now prescribed in section 4(g)(4)(ii) of the standard.

(2) The Commission may verify equivalency of any procedure submitted by independent testing and evaluation, by or on behalf of the Commission.

(h) *Recordkeeping.* The applicant must maintain a record of all applications filed with the Commission and of all equivalency tests for as long as the procedures to which they relate are in use and for three years thereafter.

2. By adding a new § 1616.32 to read as follows:

§ 1616.32 Method for establishment and use of alternate laundering procedures under section 5(c)(4)(ii) of the standard.

(a) *Scope.* (1) Section 5(c)(4)(ii) of the Standard for the Flammability of Children's Sleepwear in sizes 7–14 (16 CFR 1616.5(c)(4)(ii)) requires that all fabrics and certain garments subject to the standard be tested for flammability as produced (or after one washing and drying) and after the items have been washed and dried 50 times in prescribed household washing and drying machines, using the procedure specified in AATCC Test Method 124–1969.[3] This section also provides that items may be laundered a different number of times under another washing and drying procedure if the Commission finds that such an alternate laundering procedure is equivalent to the procedure specified in the standard.

(2) This rule provides the procedures to be followed by persons seeking Commission approval for alternate laundering procedures. It also provides the criteria the Commission will use in evaluating the applications.

(3) The alternate laundering procedures provided for in this section apply only to procedures under section 5(c)(4)(ii) of the standard and shall not be used for determining whether different colors or different print patterns of the same fabric may be included in a single fabric or garment production unit.

(4) As used in this section, fabric means fabric or related material promoted or intended for use in children's sleepwear made to identical specifications and containing the same identity while in production.

(b) *Application procedure.* (1) Applicants seeking approval for use of an alternate laundering procedure under section 5(c)(4)(ii) of the standard must submit the following information in writing to the Associate Executive Director for Compliance and Enforcement, Consumer Product Safety Commission, Washington, D.C. 20207:

(i) A detailed description of the proposed alternate laundering procedure, and a 6 in. by 6 in. swatch of the fabric or garment for which the procedure is proposed,

(ii) Upon request of the Commission staff, any other information concerning the procedure and/or any machine used in connection with it,

(iii) With regard to each fabric or garment for which an alternate laundering procedure is sought, test data comparing twenty test specimens washed and dried by the proposed alternate laundering procedure and twenty specimens tested in accordance with the 50-wash and dry cycle procedure required in section 5(c)(4)(ii) of the standard. (For purposes of applications, similar fabrics or garments of different finishes shall be considered as different fabrics or garments and therefore separate test results must be submitted). Each group of twenty specimens upon which these data are based must be cut for testing, half in the machine direction and half in the cross machine direction. Where the applicant manufactures the fabric or garments in more than one plant, the data described in this paragraph must be submitted separately for the fabric or garments of each plant for which the proposed alternate laundering procedure is intended to be used. Subsequent applications for use of the same procedure for additional fabrics and garments may incorporate portions of the original application by reference, as appropriate.

(2) Applications shall be certified by the chief executive officer of the applicant or the official to whom the duty to certify has been delegated in writing. The Commission's Associate Executive Director for Compliance and Enforcement (AED, C&E) must be notified in writing of any such delegation.

(c) *Use of alternate laundering procedure.* (1) The applicant may begin to use the alternate laundering procedure 30 days after the application is received by the AED, C&E unless notified to the contrary. The AED, C&E will normally furnish applicant with written notice of approval within 30 days. The applicant may be notified that a longer time is needed for evaluation of the application and may be authorized to use the alternate laundering procedure pending the final decision. The notice of approval shall be kept by the applicant with other written records required to be maintained in connection with the use of an alternate laundering procedure. So that the applicants may ascertain that the application has been received when the 30-day period has elapsed, it is suggested that applications be sent by certified mail, return receipt requested.

(2) As provided in detail in paragraph (e) of this section, applicants must immediately discontinue use of an alternate procedure and must immediately notify the AED, C&E if there are test failures during revalidation testing.

(d) *Revalidation testing.* (1) In order to assure a continued satisfactory correlation between the alternate laundering procedure and the laundering procedure of the standard, applicants shall perform all the testing described in paragraph (b)(1)(iii) of this section for fabrics or garments from current production at least once for every three-month period during which any of the fabric or garments are produced.

(2) If following initial approval, four successive comparisons of the alternate and the 50-cycle methods as described in paragraph (d)(1) of this section consistently show acceptable results under the criteria specified by paragraph (f) of this section, the Commission will deem such comparisons to be sufficient demonstration of the equivalence of the alternate laundering procedure with the 50 launderings required in the standard and further revalidation testing will not be required.

(3) Records of revalidation testing need not be submitted to the AED, C&E. However such records must be maintained in accordance with paragraph (h) of this section.

(e) *Revalidation testing failures.* (1) If revalidation testing for any fabric or garment does not meet the criteria of paragraph (f) of this section, the applicant must immediately discontinue use of the alternate laundering procedure for that fabric or garment and must immediately notify the AED, C&E in writing of the failure to meet the criteria. Also, the testing from the production unit from which the non-correlating samples were taken and the testing from subsequent production units (if any) must be repeated immediately using the laundering procedure prescribed in the standard. These repeat tests shall then be the tests applicable to such production unit(s) and those tests previously performed on the production unit(s) shall be considered invalid.

(2) When use of an alternate laundering procedure for a particular fabric or garment has been discontinued because of a failure to meet the criteria of paragraph (f) of this section, the alternate laundering procedure shall not be used again unless a new application for approval is submitted to the AED, C&E and he approves the application in writing. In addition to the other information required for applications, the additional application should give facts or reasons showing why the applicant believes the

[3] American Association of Textile Chemists and Colorists, Technical Manual/Vol. 46, 1970.

procedure should be considered reliable with the fabric or garments involved, in view of the previous failure.

(f) *Commission criteria for evaluating applications.* (1) The AED, C&E will approve the alternate laundering procedure as equivalent to the laundering procedure specified in section 5(c)(4)(ii) of the standard if testing from the 20 specimens laundered by the proposed alternate procedure yields as many or more char lengths in excess of five inches as testing from the twenty specimens laundered by the 50-laundering cycle method prescribed in the standard.

(2) If the alternate laundering procedure yields fewer char lengths in excess of five inches than does the 50-wash and dry cycle, then the AED, C&F will not consider the alternate procedure equivalent, with the following exception: If the number of five-inch chars for the alternate procedure is within one of the number of five-inch chars obtained for the 50-cycle procedure, the applicant may repeat the original test with new specimens and if the combined results of both tests show the count of chars exceeding five inches for the alternate is equal to, or greater than, the count for the 50-wash cycle procedure, the AED, C&E will approve the alternate laundering procedure.

(g) *Commission testing for compliance.* (1) For the purpose of determining compliance with the standard, the Commission will rely on testing employing the laundering procedure now prescribed in section 5(c)(4)(iii) of the standard.

(2) The Commission may verify equivalency of any procedure submitted by independent testing and evaluation, by or on behalf of the Commission.

(h) *Recordkeeping.* The applicant must maintain a record of all applications filed with the Commission and of all equivalency tests for as long as the procedures to which they relate are in use and for three years thereafter.

(Sec. 5, 67 Stat. 112–13, as amended 81 Stat. 571; (15 U.S.C. 1194).)

Dated: October 14, 1977.

RICHARD E. RAPPS,
Secretary, Consumer Product Safety Commission.

[FR Doc.77-30597 Filed 10-19-77;8:45 am]

[4210-01]

Title 24—Housing and Urban Development

[Docket No. R-77-468]

CHAPTER II—OFFICE OF ASSISTANT SECRETARY FOR HOUSING—FEDERAL HOUSING COMMISSIONER (FEDERAL HOUSING ADMINISTRATION), DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

DEBENTURE INTEREST RATES

AGENCY: Department of Housing and Urban Development.

ACTION: Final rule.

SUMMARY: This rule change provides for an increased debenture interest rate applicable to all home and project mortgages and loans under the National Housing Act (the Act), as amended, except for those loans or mortgages issued under the Act's section 221(g)(4) provision, committed or endorsed on or after July 1, 1977. The Secretary of the Treasury determines debenture interest rates in accordance with established procedure and the Act. The intended effect of this rule change is to raise interest rates for appropriate mortgages.

EFFECTIVE DATE: July 1, 1977.

FOR FURTHER INFORMATION CONTACT:

Linda Brothers, Procedures Branch, Office of Finance and Accounting, Administration, Department of Housing and Urban Development, Washington, D.C. 20410, 202–755–5300.

SUPPLEMENTARY INFORMATION: The Secretary of the Treasury has determined in accordance with the provisions of section 224 of the National Housing Act, as amended, that the interest rate for the month of May 1977 is 7¼% and has approved the establishment of debenture interest rates at 7¼% to be effective as of July 1, 1977.

The Secretary has determined that advance publication and notice and public procedure are unnecessary since the debenture interest rate is set by the Secretary of the Treasury in accordance with a procedure established by statute.

A Finding of Inapplicability respecting the National Environmental Policy Act of 1969 has been made in accordance with HUD procedures. A copy of this Finding of Inapplicability will be available for public inspection during regular business hours at the Office of the Rules Docket Clerk, Office of the Secretary, Room 5218, Department of Housing and Urban Development, 451 Seventh Street SW., Washington, D.C.

NOTE.—It is hereby certified that the economic and inflationary effects of these amended regulations have been carefully evaluated in accordance with Executive Order No. 11821.

Accordingly, Chapter II is amended as follows:

PART 203—MUTUAL MORTGAGE INSURANCE AND INSURED HOME IMPROVEMENT LOANS

Subpart B—Contract Rights and Obligations

1. Section 203.405 is amended to read as follows:

§ 203.405 Debenture interest rate.

Debentures shall bear interest from the date of issue, payable semiannually on the first day of January and the first day of July of each year at the rate in effect as of the date the commitment was issued, or as of the date the mortgage was endorsed for insurance, whichever rate is higher.

The following interest rates are effective for the dates listed:

	On or after		Prior to	
Effective rate (percent):				
6⅛	Jan.	1, 1971	July	1, 1971
5½	July	1, 1971	Jan.	1, 1972
5⅝	Jan.	1, 1972	July	1, 1972
5½	July	1, 1972	Jan.	1, 1973
5¼	Jan.	1, 1973	July	1, 1973
6	July	1, 1973	Jan.	1, 1974
6¼	Jan.	1, 1974	July	1, 1974
6⅜	July	1, 1974	July	1, 1975
7	July	1, 1975	Jan.	1, 1976
7⅛	Jan.	1, 1976	July	1, 1976
7	July	1, 1976	Jan.	1, 1977
6⅝	Jan.	1, 1977	July	1, 1977
7¼	July	1, 1977		

(Sec. 211, 52 Stat. 23; 12 U.S.C. 1715b. Interprets or applies sec. 203, 52 Stat. 10, as amended; 12 U.S.C. 1709.)

2. Section 203.479 is amended to read as follows:

§ 203.479 Debenture interest rate.

Debentures shall bear interest from the date of issue, payable semiannually on the first day of January and the first day of July of each year at the rate in effect as of the date the commitment was issued, or as of the date the loan was endorsed for insurance, whichever rate is the higher. The following interest rates are effective for the dates listed:

	On or after		Prior to	
Effective rate (percent):				
6⅛	Jan.	1, 1971	July	1, 1971
5½	July	1, 1971	Jan.	1, 1972
5⅝	Jan.	1, 1972	July	1, 1972
5½	July	1, 1972	Jan.	1, 1973
5¼	Jan.	1, 1973	July	1, 1973
6	July	1, 1973	Jan.	1, 1974
6¼	Jan.	1, 1974	July	1, 1974
6⅜	July	1, 1974	July	1, 1975
7	July	1, 1975	Jan.	1, 1976
7⅛	Jan.	1, 1976	July	1, 1976
7	July	1, 1976	Jan.	1, 1977
6⅝	Jan.	1, 1977	July	1, 1977
7¼	July	1, 1977		

(Sec. 211, 52 Stat. 23; U.S.C. 1715b. Interprets or applies sec. 203, 52 Stat. 10, as amended; 12 U.S.C. 1709.)

PART 207—MULTIFAMILY HOUSING MORTGAGE INSURANCE

Subpart B—Contract Rights and Obligations

In § 207.59 paragraph (e)(6) is amended to read as follows:

§207.259 Insurance benefits.

* * * * *

(e) Issuance of debentures. * * *

(6) Bear interest from the date of issue, payable semiannually on the first day of January and first day of July of each year at the rate in effect as of the date the commitment was issued, or as of the date of initial insurance endorsement of the mortgage, whichever rate is the higher. The following interest rates are effective for the dates listed:

	On or after		Prior to	
Effective rate (percent):				
6⅛	Jan.	1, 1971	July	1, 1971
5⅞	July	1, 1971	Jan.	1, 1972
5¾	Jan.	1, 1972	July	1, 1972
5½	July	1, 1972	Jan.	1, 1973
5¼	Jan.	1, 1973	July	1, 1973
6	July	1, 1973	Jan.	1, 1974
6¼	Jan.	1, 1974	July	1, 1974
6⅜	July	1, 1974	July	1, 1975
7	July	1, 1975	Jan.	1, 1976
7⅛	Jan.	1, 1976	July	1, 1976
7	July	1, 1976	Jan.	1, 1977
6⅞	Jan.	1, 1977	July	1, 1977
7¼	July	1, 1977		

* * * * *

(Sec. 211, 52 Stat. 23; 12 U.S.C. 1715b. Interprets or applies sec. 207, 52 Stat. 16, as amended; 12 U.S.C. 1713.)

PART 220—URBAN RENEWAL MORTGAGE INSURANCE AND INSURED IMPROVEMENT LOANS

Subpart D—Contract Rights and Obligations—Projects

Section 220.830 is amended to read as follows:

§ 220.830 Debenture interest rate.

Debentures shall bear interest from the date of issue, payable semiannually on the first day of January and first day of July of each year at the rate in effect as of the date the commitment was issued, or as of the date the loan was endorsed for insurance, whichever rate is higher. The following interest rates are effective for the dates listed:

	On or after		Prior to	
Effective rate (percent):				
6⅛	Jan.	1, 1971	July	1, 1971
5⅞	July	1, 1971	Jan.	1, 1972
5¾	Jan.	1, 1972	July	1, 1972
5½	July	1, 1972	Jan.	1, 1973
5¼	Jan.	1, 1973	July	1, 1973
6	July	1, 1973	Jan.	1, 1974
6¼	Jan.	1, 1974	July	1, 1974
6⅜	July	1, 1974	July	1, 1975
7	July	1, 1975	Jan.	1, 1976
7⅛	Jan.	1, 1976	July	1, 1976
7	July	1, 1976	Jan.	1, 1977
6⅞	Jan.	1, 1977	July	1, 1977
7¼	July	1, 1977		

(Sec. 211, 52 Stat. 23; 12 U.S.C. 1715b. Interprets or applies sec. 220, 68 Stat. 596, as amended; 12 U.S.C. 1715k.)

Issued at Washington, D.C., October 3, 1977.

MORTON BARUCH,
Deputy Assistant Secretary for Housing-Deputy Federal Housing Commissioner.

[FR Doc.77-30445 Filed 10-19-77;8:45 am]

[4310-10]

Title 41—Public Contracts and Property Management

CHAPTER 114—DEPARTMENT OF THE INTERIOR

PART 114-38—MOTOR EQUIPMENT MANAGEMENT

AGENCY: Office of the Secretary, Interior.

ACTION: Final regulations.

SUMMARY: 41 CFR 114-38.55 published in the FEDERAL REGISTER on August 31, 1976 (41 FR 36654) established Departmental guidelines and procedures for the acquisition, management, and safe operation of watercraft. Several changes have since been suggested, and this revision reflects the changes that have been incorporated in the regulations.

DATE: This revision is effective immediately.

FOR FURTHER INFORMATION CONTACT:

James O. Wyatt, Chief, Division of Property Management, Office of Administrative and Management Policy, Department of the Interior, Washington, D.C. 20240, telephone 202-343-3185.

SUPPLEMENTARY INFORMATION: Because this revision relates only to internal Departmental procedures, the proposed rulemaking procedures are inapplicable. The primary author of this document is Charles H. Young, Property Management Officer, Office of Administrative and Management Policy, telephone number 202-343-3185.

NOTE.—The Department of the Interior has determined that this document does not contain a major proposal requiring preparation of an Inflation Impact Statement under Executive Order 11821 and OMB Circular No. A-107.

RICHARD R. HITE,
Deputy Assistant Secretary of the Interior.

OCTOBER 11, 1977.

Pursuant to the authority of the Secretary of the Interior contained in 5 U.S.C. 301 and 40 U.S.C. 486(c), Chapter 114, Title 41 of the Code of Federal Regulations, is revised as set forth below.

Subpart 114-38.55—Watercraft

Sec.

114-38.5500 Scope of subpart.
114-38.5501 Definition.
114-38.5502 Basic policy.
114-38.5503 Official use.
114-38.5504 Responsibility.
114-38.5505 Requirements for new watercraft.
114-38.5506 Modification of other watercraft.
114-38.5507 Identification requirements.
114-38.5508 Training.
114-38.5509 Associated equipment requirements.
114-38.5510 Fire controls.
114-38.5511 Inspection requirements.
114-38.5512 Operating requirements.

Subpart 114-38.55—Watercraft

§ 114-38.5500 Scope of subpart.

This subpart provides policies and guidelines pertaining to the acquisition, management, and safe operation of watercraft.

§ 114-38.5501 Definition.

"Watercraft" means boats and ships collectively, including airboats, sailboats, and every description of watercraft except seaplanes, which are:

(a) Used, or capable of being used, as a means of transportation on water, and

(b) Propelled by machinery whether or not such machinery is the principle source of propulsion.

§ 114-38.5502 Basic policy.

It is Departmental policy that the acquisition and operation of watercraft shall, as a minimum, be in compliance with U.S. Coast Guard Boating Safety Regulations and Standards (33 CFR Subchapter S and 46 CFR Part 25). Some of these are included or referenced herein for the purpose of ensuring that personnel responsible for watercraft are aware of these requirements. In the event of any conflict, the more stringent requirement shall apply.

§ 114-38.5503 Official use.

No officer or employee of the Federal Government shall use, or authorize the use of, any Government-owned or leased watercraft for other than official purposes as defined in 114-38.50.

§ 114-38.5504 Responsibility.

The head of each bureau and office having watercraft is responsible for establishing:

(a) Operating programs and procedures to ensure compliance with this subpart;

(b) Requirements for records and reports needed for management purposes.

§ 114-38.5505 Requirements for new watercraft.

When the purchase of new watercraft is contemplated, the head of the bureau or office shall establish procedures that will ensure compliance with the following requirements:

(a) Custom-built watercraft in excess of 35 feet long: Specifications must be reviewed by a qualified marine architect.

(b) Watercraft 26 feet or more in length: Prior compliance with the provisions of Office of Management and Budget Circular No. A-76.

(c) Watercraft of less than 20 feet in length: Must meet U.S. Coast Guard flotation standards published in 33 CFR 183 (42 FR 20242) which shall be mandatory on manufacturers as of August 1, 1978. (must have sufficient buoyancy to float in an approximately level attitude when swamped, thus providing a platform from which the occupant(s) can be rescued).

(d) Any new watercraft: Must meet or exceed U.S. Coast Guard Boating Safety Regulations for comparable watercraft. (Watercraft subject to U.S. Coast Guard standards will have a manufacturer's certification label.)

(e) Engine horsepower rating: Not to be in excess of that recommended by the hull manufacturer and shown on the capacity marking label.

(f) Environmental regulations concerning the discharge of waste materials into navigable waters: Among other things, these regulations prohibit the use of marine toilets with overboard discharge.

§ 114-38.5506 Modification of other watercraft.

All existing watercraft shall be modified to meet the requirements for new watercraft except in those instances where such modification is neither practicable nor economically feasible.