

1981. After that date, NOW accounts will be limited solely to the new class of eligible depositors.

It should be noted that the Board has not changed the existing policy concerning eligibility for traditional passbook and statement savings accounts.

Effective September 1, 1981, pursuant to its authority under section 19(a) of the Federal Reserve Act (12 U.S.C. 461(a)), the Board amends Regulation Q (12 CFR Part 217) by adding a new § 217.157 as follows:

§ 217.157 Eligibility for NOW and ATS accounts.

(a) *Background.* (1) Effective December 31, 1980, the Consumer Checking Account Equity Act of 1980 (Title III of the Depository Institutions Deregulation and Monetary Control Act of 1980, P.L. 96-221; 94 Stat. 146) authorizes depository institutions nationwide to offer interest-bearing checking (NOW) accounts to depositors where the "entire beneficial interest is held by one or more individuals or by an organization which is operated primarily for religious, philanthropic, charitable, educational, or other similar purposes and which is not operated for profit." (12 U.S.C. 1832(a)(2)). The purpose of the Act is to extend the availability of NOW accounts throughout the nation. Previously, as an experiment, NOW accounts were authorized to be offered by depository institutions only in New England, New York, and New Jersey.

(2) The NOW account experiment established by Congress in 1973 did not specify the types of customers that could maintain NOW accounts. As a result, the rules of the Federal Reserve and Federal Deposit Insurance Corporation specified the types of depositors eligible to maintain NOW accounts at member and insured nonmember banks. In enacting the NOW account provision in 1980, Congress adopted virtually the same language concerning NOW account eligibility that previously had been adopted by the Board and the Federal Deposit Insurance Corporation with regard to the types of customers permitted to maintain NOW accounts in institutions located in the NOW account experiment region. (12 CFR 217.1(e)(3) and 12 CFR 329.1(e)(2)). This definition was based upon longstanding regulatory provisions concerning eligibility criteria for savings deposits.

(3) In response to many requests for rulings since the new law was enacted, the Board has determined to clarify the types of entities that may maintain NOW accounts at member banks.

(b) *Individuals.* (1) Any individual may maintain a NOW account

regardless of the purposes that the funds will serve. Deposits of an individual used in his or her business may be held in a NOW account, since it is impracticable to distinguish between funds used by an individual in his or her business and funds used for personal purposes. However, other entities organized or operated to make a profit may not maintain NOW accounts regardless of whether they are corporations, partnerships, associations, business trusts, or other organizations.

(2) Under current provisions, funds held in a fiduciary capacity (either by an individual fiduciary or by a corporate fiduciary such as a bank trust department), including those awaiting distribution or investment, may be held in the form of NOW accounts if the beneficiaries are individuals. The Board believes that such a classification should continue since fiduciaries are required to invest even temporarily idle balances to the greatest extent feasible in order to responsibly carry out their fiduciary duties. The availability of NOW accounts provides a convenient vehicle for providing a short-term return on temporarily idle trust funds of individuals.

(3) Pension funds, escrow accounts, security deposits, and other funds held under various agency agreements may also be classified as NOW accounts if the entire beneficial interest is held by individuals. The Board believes that these accounts are similar in nature to trust accounts and should be accorded identical treatment. Therefore, such funds may be regarded as eligible for classification as NOW accounts.

(c) *Nonprofit Organizations.* (1) Under the Act, a nonprofit organization that is operated primarily for religious, philanthropic, charitable, educational, or other similar purposes may maintain a NOW account. The Board regards the following kinds of organizations as eligible for NOW accounts under this standard if they are not operated for profit:

(i) Organizations described in section 501(c) (3) through (13), and (19) of the Internal Revenue Code (26 U.S.C. (I.R.C. 1954)) § 501(c) (3) through (13) and (19); and

(ii) Homeowners and condominium owners associations described in section 528 of the Internal Revenue Code (26 U.S.C. (I.R.C. 1954) 528), including housing cooperative associations that perform similar functions.

(2) All organizations that are operated for profit are not eligible to maintain NOW accounts at member banks.

(3) The following types of organizations described in the cited

provisions of the Internal Revenue Code are among those not eligible to maintain NOW accounts:

(i) Credit unions and other mutual depository institutions described in section 501(c)(14);

(ii) Mutual insurance companies described in section 501(c)(15);

(iii) Crop financing organizations described in section 501(c)(16);

(iv) An organization created to function as part of a qualified group legal services plan described in section 501(c)(20);

(v) Farmers' Cooperatives described in section 521; or

(vi) Political organizations described in section 527.

(d) *Governmental Units.* Under the Act, governmental units generally may not maintain NOW accounts. The Board believes that some governmental units are operated primarily for philanthropic, educational, or charitable purposes, and that such entities should be regarded as eligible to maintain NOW accounts. Consequently, a Governmental unit, regardless of form of organization, may maintain a NOW account if the funds are in the name of or are used solely for schools, universities or colleges, libraries, hospitals, or other educational or medical facilities.

(e) *Grandfather Provision.* In order to avoid unduly disrupting account relationships, a NOW account established at a member bank on or before August 31, 1981, that represents funds of a nonqualifying entity that previously qualified to maintain a NOW account may continue to be maintained.

By order of the Board of Governors,
August 13, 1981.

William W. Wiles,
Secretary of the Board.

[FR Doc. 81-24214 Filed 8-18-81; 8:45 am]
BILLING CODE 6210-01-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Social Security Administration

20 CFR Parts 404 and 416

Disability Insurance and Supplemental Security Income; Determinations of Disability

AGENCY: Social Security Administration, HHS.

ACTION: Final rule; Correction.

SUMMARY: This document corrects several errors in citations and an incorrect statement with regard to the time within which a State must appeal

an audit determination which are contained in final regulations implementing section 304 of Pub. L. 96-265, published May 29, 1981 (46 FR 29190).

FOR FURTHER INFORMATION CONTACT:

Harry Short, Legal Assistant, 6401 Security Boulevard, Baltimore, Maryland 21235, telephone 301-594-7337.

The following corrections are made in FR Doc. 81-16049 appearing on page 29190 in the Federal Register of May 29, 1981:

1. On page 29211, in the center column "§§ 416.1001-416.1078 [redesignated as §§ 416.1801-416.1878 (Subpart R)] is corrected to read "§§ 416.1001-416.1081 [Redesignated as §§ 416.1801-416.1881 (Subpart R)]".

2. On page 29211, in the center column, action item number 3 "The section headings and the text of §§ 416.1001-416.1078 are redesignated as §§ 416.1801-416.1878 [Subpart R]. The title of Subpart R is "Relationship". is corrected to read "The section headings and the text of §§ 416.1001-416.1081 are redesignated as §§ 416.1801-416.1881 [Subpart R]. The title of Subpart R is "Family Relationships".

3. On page 239213, in the center column the cross-reference "§ 416.1072" in § 416.1015(c) is corrected to read "416.972".

4. On page 29214, in the third column the second to the last sentence in § 416.1027(b) is corrected by deleting the words "within 30 days of the date of the decision by the Commissioner".

Dated: August 12, 1981.

Robert F. Sermer,

Deputy Assistant Secretary for Management Analysis and Systems.

[FR Doc 81-24239 Filed 8-18-81; 8:45 am]

BILLING CODE 4110-07-M

ENVIRONMENTAL PROTECTION AGENCY

21 CFR Part 193

[FAP 8H5 193/T72; PH-FRL 1901-7]

Tolerances for Pesticides in Food Administered by the Environmental Protection Agency; Aldicarb

Correction

On page 39828 in the issue of Wednesday, August 5, 1981, the document on the pesticide aldicarb was incorrectly cited in the heading as relating to Title 40 Part 193 of the Code

of Federal Regulations. It should have been cited as Title 21 Part 193; therefore, in the heading, change "40 CFR Part 193" to read "21 CFR Part 193".

BILLING CODE 1505-01-M

DEPARTMENT OF THE INTERIOR

Office of Surface Mining Reclamation and Enforcement

30 CFR Part 808

Surface Coal Mining and Reclamation Operations Permanent Program Regulations; Performance Bonding

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

ACTION: Notice of suspension of rule.

SUMMARY: OSM is suspending 30 CFR 808.12(c) pending the outcome of rulemaking which will result from granting a petition.

EFFECTIVE DATE: September 18, 1981.

FOR FURTHER INFORMATION CONTACT: Mr. Russell Price, Civil Engineer, Division of Technical Services, Office of Surface Mining, U.S. Department of the Interior, South Building, 1951 Constitution Avenue, N.W., Washington, D.C. 20240; Telephone (202) 343-4022.

SUPPLEMENTARY INFORMATION: For discussion of this document, see proposed rule section of this issue of the Federal Register.

Dated: August 14, 1981.

J. R. Harris,
Director.

§ 808.12 [Amended]

Accordingly, 30 CFR 808.12(c) as published on August 6, 1980, (45 FR 52324) is suspended.

(Secs. 509 and 519, Pub. L. 95-87, 91 Stat. 480, 501 [30 U.S.C. 1259 and 1269])

[FR Doc. 81-24142 Filed 8-18-81; 8:45 am]

BILLING CODE 4310-05-M

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

31 CFR Part 535

Iranian Assets Control Regulations: Authority To Enter Into Agreements With Designated Foreign Banks

AGENCY: Office of Foreign Assets Control.

ACTION: Final rule.

SUMMARY: The Office of Foreign Assets Control is amending the Iranian Assets

Control Regulations. The purpose of the amendment is to authorize the Federal Reserve Bank of New York, as fiscal agent of the United States, to enter into escrow and related agreements with designated foreign banks. These agreements are necessary to implement the terms of the Iran-U.S. Agreements of January 19, 1981.

EFFECTIVE DATE: August 17, 1981.

FOR FURTHER INFORMATION CONTACT:

Raymond W. Konan, Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, Washington, D.C. 20220, Tel. (202) 376-0236.

SUPPLEMENTARY INFORMATION: Since the Regulations involve a foreign affairs function, the provisions of the Administrative Procedure Act, 5 U.S.C. 553, requiring notice of proposed rulemaking, opportunity for public participation and delay in effective date, are inapplicable.

Similarly, because the Regulations are issued with respect to a foreign affairs function of the United States, they are not subject to Executive Order 12291 of February 17, 1981, dealing with Federal regulations.

31 CFR Part 535 is amended as follows:

Section 535.210 is amended by the revision of paragraph (a) as follows:

§ 535.210 Direction for establishing an escrow agreement.

(a) The Federal Reserve Bank of New York, as fiscal agent of the United States, is licensed, authorized, directed and compelled to enter into escrow and related agreements under which certain money and other assets shall be credited to escrow accounts by the Bank of England or the N.V. Settlement Bank of the Netherlands.

(Sec. 201-207, 91 Stat. 1626, 50 U.S.C. 1701-1706; E.O. No. 12170, 44 FR 65729; E.O. No. 12205, 45 FR 24099; E.O. No. 12211, 45 FR 26605; E.O. No. 12276, 46 FR 7913; E.O. No. 12279, 46 FR 7919; E.O. No. 12280, 46 FR 7921; E.O. No. 12281, 46 FR 7923; E.O. No. 12282, 46 FR 7925; and E.O. No. 12294, 46 FR 14111)

Dated: August 17, 1981.

Susan M. Swinehart,
Acting Director.

Approved:

John M. Walker, Jr.,
Assistant Secretary.

[FR Doc. 81-34281 Filed 8-17-81; 12:47 pm]

BILLING CODE 4810-25-M

POSTAL RATE COMMISSION

39 CFR Part 3000

[Docket No. RM81-1; Order No. 393]

Standards of Conduct

August 14, 1981.

AGENCY: Postal Rate Commission.

ACTION: Final rule.

SUMMARY: To amend the Commission's outside employment rules to permit persons subject to the rules to offer their services on an unpaid, or *pro bono publico*, basis in conjunction with recognized organizations. The substantial need by such organizations for volunteer assistance has prompted the Commission to act in this regard. This action is intended to permit Commission staff personnel to volunteer their services, on a *pro bono* basis, to recognized organizations.

EFFECTIVE DATE: September 18, 1981.

FOR FURTHER INFORMATION CONTACT: David F. Stover, General Counsel, Postal Rate Commission, Suite 500, 2000 L Street, N.W., Washington, D.C. 20268; Telephone (202) 254-3824.

SUPPLEMENTARY INFORMATION:

Classification: The Postal Rate Commission has determined that this regulation will not impose unnecessary burdens on the economy or on individuals and, therefore, is not significant for the purposes of Executive Order 12291.

Regulatory Analysis: Not required for this rulemaking.

Environmental Impact Statement: This regulation does not significantly affect the environment. An environmental impact statement is not required under the National Environmental Policy Act of 1969.

Summary of Rule Change

The Postal Rate Commission, pursuant to Executive Order 11570 (35 FR 1813, Nov. 28, 1970), and 5 U.S.C. 553 (Pub. L. 89-554 Sept. 6, 1966, 80 Stat. 383) amends certain provisions of its Standards of Conduct which deal with outside employment and professional practice. Currently, 39 CFR 3000.735-307 provides, in part, that Commission employees with an annual salary of \$20,000 or more may not engage in any outside employment or professional practice, whether paid or unpaid, other than teaching, lecturing or writing. Furthermore, this section provides that outside professional work or practice is, as a matter of general policy, discouraged and to be approved only in unusual circumstances.

When read together, these two provisions effectively preclude Commission employees from furnishing professional representation or services, even when provided on a *pro bono publico* basis. The Commission believes that *pro bono publico* representation or services is appropriate and should be permitted. This is especially the case in view of the substantially increased need for *pro bono publico* services generally. For example, there is now a substantial need for the increased availability of legal services both in the District of Columbia and elsewhere. Appropriations to fund the various legal assistance programs are currently being reduced or eliminated and, recently, the Court of Appeals of the District of Columbia has precluded the D.C. Bar Association from using membership dues to fund legal aid programs. These are just two examples indicating the substantial need that now exists for *pro bono* service. Therefore, the Commission has determined that *pro bono* activities by its employees, both of a legal nature and otherwise, should be permitted and actively encouraged if such practices are accomplished through the sponsorship of a recognized organization which provides such services.

This rule change does not affect the general question of outside employment by Commission members and staff. However, the Commission is presently taking under advisement various alternative rule changes which would substantially alter the outside employment prohibitions under § 3000.735-307 of the Commission's rules.

Accordingly, the accompanying rule change permits such *pro bono* practice or service, with the prescribed limitation.

Amended

Part 3000 of 39 CFR is amended by revising § 3000.735-307 (a) and (f) to read as follows:

§ 3000.735-307 Outside employment and other activity.

(a) An employee whose annual rate of basic compensation from the Commission is \$20,000 or more shall not engage in any outside employment or professional practice, either on a paid or unpaid basis, other than

(1) teaching, lecturing, or writing as provided in paragraph (d) of this section;

(2) outside professional practice with or for a recognized organization which furnishes professional representation or services on a *pro bono publico* basis.

(f) An employee who wishes to engage in outside employment or activity,

including teaching, lecturing, writing, or serving as an officer at a national, statewide, regional, or other responsible level of an organization described in paragraph (e)(3) of this section, shall obtain the prior written approval of the Counselor. A request for such approval shall be submitted to the Counselor in writing with sufficient description of the employment or activity to enable him or her to make an informed determination as to whether a conflict of interest or the appearance of a conflict of interest may be involved. A record of approval or disapproval made under this paragraph shall be filed in the employee's Official Personnel Folder. As a matter of general policy, outside or private professional work or practice (e.g., legal or accounting activities), except as permitted in paragraph (a) of this section, by employees is discouraged and only in unusual circumstances will it be approved.

By the Commission.

Cyril J. Pittack,
Acting Secretary.

[FR Doc. 81-34225 Filed 8-18-81; 8:45 am]

BILLING CODE 7715-01-M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[A-6-FRL-1879-4]

Approval and Promulgation of Implementation Plans; Approval of New Mexico State Variance

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: This notice approves the State of New Mexico's request to revise its State Implementation Plan (SIP) to include a variance for Phelps Dodge Corporation. This action is based upon Phelps Dodge period of variance request for its Hidalgo Smelter in Playas, New Mexico. The intended effect will allow for the installation of a new scrubbing system without exceedance of the ambient air quality standard for particulate matter.

EFFECTIVE DATE: September 18, 1981.

ADDRESSES: Incorporation by reference material is available for inspection during normal business hours at the following locations:

The Office of the Federal Register, 1100 L St., N.W., Washington, D.C. Rm. 8401

Environmental Protection Agency,
Public Information Reference Unit,