announcement, in the form appended to the consent agreement, to the principals of each LaPorte County brokerage firm, including a sufficient number of copies to permit each associate of the firm to receive the announcement. This announcement would briefly summarize the salient provisions of the proposed order and explain that, if more specific information is desired, the MLS will furnish a copy of the order to any person upon request.

Accordingly to the proposed order, within sixty days after the order becomes final, the MLS would be required to file a written report with the Federal Trade Commission setting forth the manner and form of ts compliance. The MLS would also be required for ten years to: (1) Promptly notify applicants who have been denied MLS membership of the specific reasons for the denial; (2) keep in an appropriate file all documents that relate to any denied or approved application for a period of five years from the final decision on the application; and (3) make available to the Federal Trade Commission staff all documents that relate to compliance with the order, including the documents required to be kept on membership applications.

The proposed order would require the MLS to give the Commission thirty days advance notice of any change in the MLS, such as dissolution or sale, that may affect its compliance obligations under the order. Also, pursuant to the proposed order, the MLS must require, as a condition of any sale or transfer of its compliance obligations under the order. Also, pursuant to the proposed order, the MLS must require, as a condition of any sale or transfer of its business to any other person seeking to perform essentially the same services, that such successor or transferee agree to be bound by the terms of the order. However, it is expressly provided that, prior to the sale or transfer, the MLS may petition the Commission if the MLS believes that the order should not apply to the successor or transferee in its present form.

The proposed order would also state that the order shall not be construed to bar a challenge under the antitrust laws or the Federal Trade Commission Act of any activity not prohibited by the order. Thus, for example, the proposed order should not be construed as granting Commission approval of any MLS prohibition on publishing listings that are other than exclusive right to sell listings.

The purpose of this analysis is to facilitate public comment on the proposed order, and it is not intended to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.

This proposed consent order has been entered into for settlement purposes only and does not constitute an admission by the respondent that the law has been violated as alleged in the compliant.

Emily H. Rock,

Secretary.

[FR Doc. 84-13462 Filed 5-17-84; 8:45 am]

BILLING CODE 6750-01-M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Assistant Secretary for Housing—Federal Housing Commissioner

24 CFR Parts 203, 213, 222, and 234

[Docket No. R-84-0722; FR-1028]

Mutual Mortgage Insurance and Rehabilitation Loans; Prepayment Privileges and Application of Monthly Payments Toward Late Charges

AGENCY: Office of Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Proposed rule.

SUMMARY: Prepayments are initiated, for the most part, in connection with the sale of property and involve new financing. This rule would: (1) Eliminate the 30-day written notice requirement for prepayment of single-family mortgages and the requirement that prepayments be made on an interest payment date; (2) require that payments in full be credited as of the date received; and (3) permit partial prepayments, other than those received on an installment due date, to be credited on the next following installment due date. This rule would also permit mortgagees to apply a portion of a mortgagor's total monthly payment to a late charge.

DATE: Comments must be submitted on or before June 18, 1984.

ADDRESS: Comments may be submitted to the Rules Docket Clerk, Office of General Counsel, Room 10278, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, D.C. 20410, and should refer to the docket number indicated by the heading. Copies of the comments will be available for examination and copying during regular business hours (8:45 A.M. to 5:15 P.M.) in the Office of the Rules Docket Clerk, at the address listed above.

FOR FURTHER INFORMATION CONTACT: Richard B. Buchheit, Director, Single Family Servicing Division, Office of Single Family Housing, Department of Housing and Urban Development, Room 9180, Washington, D.C. 20410, Telephone: (202) 755-6672. (This is not a toll-free number.)

SUPPLEMENTARY INFORMATION: On October 31, 1979 (at 44 FR 62531), the Department published a proposed rule to amend 24 CFR 203.558 to provide that, with respect to mortgages insured on or after the effective date of the rule, a mortgagee: (1) Could not require a 30-day written notice of the mortgagor's intention to prepay the mortgage; (2) must credit a prepayment in full as of the date the payment was received, and (3) need not credit a partial prepayment, other than one received on an installment due date, until the next following installment due date. The rule also proposed to amend § 203.608 to require the mortgagee to permit reinstatement of a mortgage under certain circumstances, including after institution of foreclosure proceedings.

The Department has decided to proceed with the proposed amendment of § 203.558, dealing with prepayment privileges. Because of the considerable time lapse since the initial publication of the proposed rule, and to provide a reasonable time for additional comment, the Department has decided that it would be appropriate to publish the rule again as a proposed rule with a 30-day comment period.

The proposed rule would also amend §§ 203.22, 203.513 and 234.37 to conform them to the new provisions relating to prepayment privileges. Additionally, the proposed rule would amend §§ 203.24, 213.515, and 222.6 to permit mortgagees to apply a portion of the mortgagor's total monthly payment to a late charge.

In view of commenters who objected on the ground that the proposed amendment would only serve to protect the "chronic delinquent" mortgagor, HUD has decided to withdraw, for the present, the proposed amendment of 24 CFR 2033.608. The amendment would have deleted the provision that permits a mortgagee to deny reinstatement of a mortgage if the mortgagee has accepted resinstatement after the institution of foreclosure proceedings within the two years immediately preceding the commencement of the current foreclosure activity. The withdrawal of the proposed amendment shall not preclude HUD from proposing similar amendments in the future nor does it commit HUD to any particular course of action.

Prepayment Privileges

Current Rule

For years, HUD's rules on prepayment of single-family mortgages have generated more complaints from mortgagors, members of Congress, and consumer interest groups than has any other mortgage servicing policy. Under current regulations, a mortgagor must: (1) Give the mortgagee a 30-day written notice of intention to prepay the mortgage in whole or in part, and (2) make any such payment on the installment/interest due date (established as the first of the month by § 203.17) unless the mortgagee chooses to waive such requirements. If a mortgagor fails to meet both conditions for prepayment, the mortgagee, at the mortgagee's option, may refuse to accept prepayment until the first day of the month following expiration of the notice period, unless the mortgagor agrees to pay interest to that later date. For example, if a mortgagor gives a 30-day notice on March 8, the mortgagee may refuse to accept the prepayment until May 1, unless the mortgagor agrees to pay interest to May 1. The effect is a notice period much longer than 30 days and significantly increased costs for the mortgagor.

Changing Needs

When the rule was originally adopted, the requirement for a 30-day notice period was justified in order to give lenders adequate time to anticipate prepayments, develop close-out balances, and arrange for reinvestment of prepayment funds. The advent of computers and other advanced equipment, combined with the greater degree of sophistication among money managers and immediate access to numerous short- and long-term investment alternatives, negates, in our view, the need for a 30-day notice.

Prepayments are initiated, for the most part, in connection with the sale of the property and involve new financing. Most mortgagors and many real estate brokers are unfamiliar with the FHA rule on prepayment privileges, and schedule the closing to take place as early as possible after financing is secured. The pressure for an early closing and the lack of familiarity with the rule generally override serious consideration by the mortgagor of the prepayment penalty and, in effect, deny the mortgagor a reasonable opportunity to postpone the date of closing or of prepayment to coincide with the date required by the mortgagee. Instead, the mortgagor pays the extra interest in order to complete the sale as scheduled.

Discussion of Comments

The majority of comments submitted in response to the October 1979 proposed rule reflected agreement that the 30-day notice was no longer necessary for the purpose of developing close-out balances or as an aid to reinvestment of prepayment funds. However, the commenters were virtually unanimous in opposing the proposed change that would require lenders to credit prepayments in full as of the date payment was received. Their argument was that the change would impose serious burdens on mortgagees who place many of their FHA mortgages in the Government National Mortgage Association (GNMA) mortgage-backed securities (MBS) program.

GNMA requires issuers/servicers participating in the mortgage-backed securities program to pass-through interest to certificate holders until the first day of the month following the date of the prepayment in full, regardless of the date of the prepayment. Therefore, under the proposed rule, the issuers/servicers would be forced to absorb the difference between the amount of interest collected and the amount of interest due GNMA.

The comments failed to address, however, the significant amount of unearned interest that the current rule permits mortgagees to charge prepaying mortgagors. Data developed from HUD's Management Information System (MIS) statistics indicate that an average of 9,000 mortgages were prepaid monthly in 1981 and 1982, for an annual average of 108,000 prepaid mortgagees. Analysis of HUD prepayment data provides a basis for a better understanding of why the current rule should be amended.

I. General Characteristics of HUD Single Family Mortgage Prepayment Activity

"Average" number of prepayments per year.	108,000.
Percentage of FHA mortgages placed in GNMA MBS pool.	70 percent.
Incidence of extra interest charge on prepayments.	75 percent.
"Average" annual number of mortgagors paying extra interest (75 percent of 108,000).	81,000.
"Average" mortgage balance ...	$55,000.
Year of highest incidence of prepayments in 30-year mortgages.	6th.
Average length of extra interest period (HUD has no specific data pinpointing when, during a month, the majority of prepayment are made; and, thus, has chosen the 15th day to represent the norm, while recognizing that prepayments may occur both before and after that date).	1½ months.
Average rate of interest on prepaid mortgages.	12 percent.
Monthly interest charge on $55,000 mortgage, with 12 percent interest rate, in the 6th year of a 30-year term.	$536.
Average amount of extra interest paid by each mortgagor (1½ months interest).	$804.

II. Apportionment of Costs and Savings Under Current Rules for Mortgages Prepaid in Sixth Year of Mortgage Term

Average number of all prepaid FHA mortgages annually.	108,000.
Average number of prepaid mortgages in GNMA MBS pool (70 percent of 108,000).	75,600.
Average number of prepaid mortgages annually where mortgagor pays extra interest:	
—All prepaid FHA mortgages (75 percent of 108,000).	81,000.
—GNMA MBS mortgages (75 percent of 75,600).	56,700.
Average per mortgage interest cost to MBS issuer (½ month).	$268.
Total estimated annual costs of prepayments for MBS issuers due to GNMA requirements (75,600 times $268).	$20,260,800*.
Total estimated extra interest paid by all prepaying FHA mortgagors (81,000 times $804) (average amount).	$65,124,000.
Total estimated amount of net *unearned interest* retained annually by mortgagees.	$44,863,000*.

*Assumes that mortgagees absorb cost of "pass-throughs" to GNMA for those mortgagors who are *not* charged extra interest at time of prepayment.

III. Apportionment of Costs and Savings Under Proposed Rule for Mortgages Prepaid in Sixth Year of Mortgage Term

Total estimated annual cost to MBS issuer for interest pass-through to GNMA (75,600 times $268 (½ months interest)).	$20,260,800.
Total estimated annual savings of extra interest costs for all prepaying FHA mortgagors (81,000×$804).	$65,124,000

Simply stated, under the current rule, mortgagees collect an estimated $65 million annually in unearned interest from all prepaying FHA mortgagors. To the extent that mortgagees currently absorb the cost of "pass-through" interset due GNMA (in those instances where mortgagors are permitted to prepay in full without paying extra

interest), net unearned income would still approximate, *at a minimum*, $45 million annually. It seems more likely, however, that mortgagees require such mortgagors to cover all actual costs incident to the full prepayment of mortgages, and, thus, that mortgagees realize annual unearned income in an amount close to the $65 million level.

Effect of the Rule

The rule would apply prospectively, and mortgages insured before the effective date of the rule would be exempt from the new provisions. The projected costs for MBS-issuers and savings for mortgagors prepaying in full would not be entirely realized until the rule is adopted and in effect for six years. Accordingly, the annual cost to the MBS-issuers, if the number of prepayments in full increase in an even amount every year, would be about $3.4 million the first year, with a $3.4 million increase every year until the $20.3 million level is reached in the sixth year. Based on the same assumptions, the net savings to mortgagors would approximate $10.8 million the first year and increase by a like amount annually until the projected $65 million level is reached in the sixth year. Since these projections assume that *all* prepayments in full occur by the end of the sixth year of the mortgage term, the projected cost/savings would probably be at a lower annual rate and extend over a longer period of time, since many prepayments in full do not occur until after the sixth year of the mortgage term.

We believe that interest costs that GNMA issuers appear to bear under this proposal will be passed on to new mortgagors through points, fees, or similar devices. Because most prepayments occur in connection with the purchase of another home, it is likely that a sizable portion of such interest cost will be borne by mortgagors who have accomplished a "savings" in prepaying their FHA-insured mortgages, and, thus, are better prepared to assume the extra costs in financing new mortgages going into a GNMA MBS pool.

More importantly, we note that for many years MBS pools have included about 50 percent of all VA-guaranteed mortgages. Such VA mortgages include the prepayment rule that HUD is seeking to adopt. MBS participant-issuers have borne any interest penalty risks attendant upon the prepayment of VA mortgages in MBS pools without any serious effort to change the VA rule or to remedy any VA prepayment interest problems. Consequently, it would seem that there is little basis on which to object to HUD's efforts to adopt the same rule.

Therefore, after careful consideration of all of the comments and analysis of the impact of the current prepayment policy on mortgagors and mortgagees, HUB proposes to implement the rule change to eliminate the inequitable and unjustifiable interest burden currently placed on mortgagors who prepay their mortgages in full.

Collection of interest only to the date of prepayment would be limited to prepayment in full of mortgages insured after adoption of the rule. Thus, mortgagees could continue to exercise the option permitted by 24 CFR 203.558 and collect interest until the first of the month following prepayment on those mortgages that were insured before adoption of the rule. Additionally, mortgagees would be permitted to defer crediting of partial prepayments, other than those received on an installment due date, until the next following installment due date.

Adoption of the rule will conform HUD policy to the existing policy in Veterans Administration mortgages and will facilitate the adoption of uniform mortgage instruments, as required by section 905 of the Housing and Community Development Amendments of 1978.

Application of Part of Total Monthly Payment to a Late Charge

The proposed amendments to §§ 203.24, 213.515 and 222.6 permitting mortgagees to apply a portion of a total monthly payment to a late charge, will codify late charge collection procedures already permitted in HUD Handbook 4330.1, Chapter 4, paragraph 63. The proposed amendment will continue safeguards relative to late charges by: (1) Requiring the mortgagee to give notice to the mortgagor of its intention to impose a late charge, (2) prohibiting a mortgagee from adding previously uncollected late charges to the monthly payment for purposes of calculating the present late charge, (3) subjecting the collection of late charges to the law of the State in which the mortgage is serviced and to the terms of the mortgage, and (4) prohibiting initiation of foreclosure proceedings when the only delinquency under the mortgage is a late charge which is due but unpaid. The provisions of these amendments will be reflected in HUD's new security instruments to further the objective of section 905 of the Housing and Community Development Amendments of 1978—that HUD, the Department of Agriculture and the Veterans' Administration use, to the extent possible, uniform forms.

This rule does not constitute a "major rule" as that term is defined in section 1(b) of Executive Order 12291 on Federal Regulations. Analysis of the rule indicates that it does not (1) Have an annual effect on the economy of $100 million or more; (2) cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local governmental agencies, or geographic regions; or (3) have a significant adverse effect on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets. It is estimated that an average of 9,000 mortgages are prepaid each month, and that 75 percent of all prepaid

mortgages are subjected to 1½ months of extra interest. A typical 30-year mortgage having a principal balance of $55,000, an interest rate of 12% and in the sixth year, assuming that 1½ month's interest is saved, would yield a savings of $804 per mortgage. In a 12-month period the total savings on such prepaid mortgages would be $65,124,000, which is well below the $100 million threshold.

A Finding of No Significant Impact with respect to the environment has been made in accordance with HUD regulations in 24 CFR Part 50 which implement section 102(2)(C) of the National Environmental Policy Act of 1969. The Finding of No Significant Impact is available for public inspection during regular hours in the office of the Rules Docket Clerk, Office of the General Counsel, Room 10278, Department of Housing and Urban Development, 451 Seventh Street, Southwest, Washington, D.C. 20410.

Pursuant to the provisions of 5 U.S.C. 605(b) (the Regulatory Flexibility Act), the Undersigned hereby certifies that this rule does not have a significant economic impact on a substantial number of small entities.

This rule was listed as item H–9–79 in the Department's Semiannual Agenda of Regulations published on October 17, 1983 (48 FR 47433), pursuant to Executive Order 12291 and the Regulatory Flexibility Act.

The following numbers identify the programs, as listed in the Catalog of Federal Domestic Assistance, affected by the regulation changes: 14.105, 14.108, 14.117, 14.118, 14.119, 14.120, 14.121, 14.122, 14.123, 14.133, 14.140, 14.152, 14.157, 14.161, and 14.165.

List of Subjects

24 CFR Part 203

Home improvement, Loan programs: housing and community development, Mortgage insurance, Solar energy.

24 CFR Part 213

Mortgage insurance, Cooperatives.

24 CFR Part 222

Condominiums, Military personnel, Mortgage insurance.

24 CFR Part 234

Condominiums, Mortgage insurance, Homeownership, Projects, Units.

Accordingly, 24 CFR Parts 203, 213, 222 and 234 are amended as follows:

PART 203—MUTUAL MORTGAGE INSURANCE AND REHABILITATION LOANS

1. By revising § 203.22, paragraph (b), to read as follows:

§ 203.22 Payment of insurance premiums or charges; prepayment privilege.

* * * * *

(b) *Prepayment privilege.* The mortgage shall contain a provision permitting the mortgagor to prepay the mortgage in whole or in part under such conditions as the Commissioner may prescribe, but shall not provide for the payment of any charge on account of such prepayment.

2. By revising § 203.24, paragraphs (a)(1) throught (a)(4), to read as follows:

§ 203.24 Application of payments.

(a) * * *

(1) Premium charges under the contract of insurance (other than a one-time mortgage insurance premium paid in accordance with § 203.280), and charges for open-end advances, ground rents, taxes, special assessments, flood insurance premiums, if required, and fire and other hazards insurance premiums;

(2) Interest on the mortgage;

(3) Amortization of the principal of the mortgage; and

(4) Late charges, if permitted under the terms of the mortgage and subject to such conditions as the Commissioner may prescribe.

* * * * *

3. By revising § 203.558 to read as follows:

§ 203.558 Handling prepayments.

(a) Notwithstanding the terms of the mortgage, the mortgagee may accept a prepayment at any time and in any amount so long as monthly interest on the debt is calculated on the actual unpaid principal balance of the loan.

(b) With respect to mortgages insured before (*insert effective date of this rule*), if the mortgagee will not accept a prepayment until the first day of the month following expiration of the 30-day notice period, unless interest is paid to that date, the mortgagee's response to the mortgagor's inquiry, request for payoff figures, or tender must clearly advise the mortgagor of this fact. If the mortgagor's notice of intent to prepay or actual prepayment is required to be delivered on a nonworking day, the notice of prepayment shall be timely if delivered on the next working day.

(c) With respect to mortgages insured on or after (*insert effective date of this rule*), the mortgagee shall not require 30 days advance notice of prepayment or payment upon an interest payment date. Payment in full shall be credited as of the date received. Partial prepayment, other than on an installment due date, need not be credited until the next following installment.

PART 213—COOPERATIVE HOUSING MORTGAGE INSURANCE

4. By revising § 213.513, paragraph (b), to read as follows:

§ 213.513 Payment of insurance premiums or charges; prepayment privilege.

* * * * *

(b) *Prepayment privilege*; The mortgage shall contain a provision permitting the mortgagor to prepay the mortgage in whole or in part under such conditions as the Commissioner may prescribe, but shall not provide for the payment of any charge on account of such prepayment.

5. By revising § 213.515 to read as follows:

§ 213.515 Payments, how applied.

(a) Premium charges under the contract of insurance (including insurance charges for open-end advances), ground rents, taxes, special assessments, flood insurance premiums, if required, and fire and other hazard insurance premiums,

(b) Interest on the mortgage;

(c) Amortization of the principal of the mortgage; and

(d) Late charges, if permitted under the terms of the mortgage and subject to such conditions as the Commissioner may prescribe.

PART 222—SERVICEMEN'S MORTGAGE INSURANCE

6. By revising § 222.6, paragraphs (a)(1) through (a)(4), and by adding a new paragraph (a)(5), to read as follows:

§ 222.6 Application of payments.

(a) * * *

(1) Ground rents, taxes, special assessments, flood insurance premiums, if required, and fire and other hazard insurance premiums;

(2) Service charge, if any;

(3) Interest on the mortgage;

(4) Amortization of the principal of the mortgage; and

(5) Late charges, if permitted under the terms of the mortgage and subject to such conditions as the Commissioner may prescribe.

* * * * *

PART 234—CONDOMINIUM OWNERSHIP MORTGAGE INSURANCE

7. By revising § 234.37, paragraph (b), to read as follows:

§ 234.37 Prepayment of insurance premium or charges; prepayment privilege.

* * * * *

(b) *Prepayment privilege.* The mortgage shall contain a provision permitting the mortgagor to prepay the mortgage in whole or in part under such conditions as the Commissioner may prescribe, but shall not provide for the payment of any charge on account of such prepayment.

(Sec. 211 of the National Housing Act (12 U.S.C. 1709, 1715))

Dated: April 5, 1984.

Maurice L. Barksdale,

Assistant Secretary for Housing—Federal Housing Commissioner.

[FR Doc. 84-12866 Filed 5-17-84; 8:45 am]

BILLING CODE 4210-27-M

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

27 CFR Part 4

[Notice No. 529; Ref: Notice Nos. 357 and 378]

Withdrawal of Multivintage Wine Labeling Proposals

AGENCY: Bureau of Alcohol, Tobacco and Firearms (ATF), Treasury.

ACTION: Notice of withdrawal.

SUMMARY: ATF is withdrawing the proposed regulations on multivintage labeling. This action concludes the regulatory process. ATF is withdrawing the notice based on the comments received pursuant to two notices of proposed rulemaking. Although the notice of proposed rulemaking is being withdrawn, ATF is considering action in the form of a ruling on this issue.

EFFECTIVE DATE: June 18, 1984.

FOR FURTHER INFORMATION CONTACT: Roger Bowling, Bureau of Alcohol, Tobacco and Firearms, FAA, Wine and Beer Branch, 1200 Pennsylvania Avenue, NW., Washington, D.C. 20226 (202-566-7626).

SUPPLEMENTARY INFORMATION:

Background

ATF has not allowed the labeling of distinct vintages and the percentages of each on labels of blended wine. This policy is clearly stated in Rev. Rul. 54-250, 1954-1 CB 342, and ATF Rul. 78-4, 1978 ATF CB 61. ATF held that by allowing multivintage dates on labels, consumers could be misled into believing that the wine was a vintage wine, when in fact, it would not so qualify. A vintage wine, under 27 CFR 4.27(a), is a wine in which at least 95 percent of the volume is derived from grapes harvested in a single calander year.

In 1980, Veedercrest Vineyards, Emeryville, California, submitted a petition to ATF to amend the regulations to allow more than one vintage date to appear on labels of wine. After considering the petition, ATF decided to air the issue through the rulemaking process and published an advance notice of proposed rulemaking (Notice No. 357; November 13, 1980; 45 FR 74942).

Notice No. 357

During the comment period, ATF received 34 comments which were basically divided equally for and against multivintage labeling; 18 opposed and 16 favored the concept.

The 18 commenters opposing stated that to allow such labeling would be misleading and confusing; no need existed for multivintage labeling, and that "vintage" would lose some of the mystique that consumers have applied to the term.

The 16 commenters in favor of multivintage labeling stated that such dates would be no more misleading than a single date, and that a vintage date on a label is simply the calendar year of harvest in which the grapes were harvested and is not a quality statement as there are both good and bad vintages. Furthermore, these commenters stated that since blending was such a prevalent practice, information concerning the blend's components should be labeled. Some commenters believed that multivintage dates would provide specific information that consumers wanted or needed concerning blended wines.

Since the commenters were basically equally divided and persuasive arguments were presented from both sides, ATF decided to gather comments on specific regulatory proposals. This was accomplished in Notice No. 378 (August 5, 1981; 46 FR 39850).

Notice No. 378

In response to this notice, ATF received 16 comments. Of the total comments, 11 were opposed to multivintage labeling, while only five supported it. The arguments were basically the same as those received pursuant to the advance notice.

Decision

Since most commenters were opposed to the proposed regulation and because of the small number of comments received, ATF is withdrawing the notice of proposed rulemaking.

Drafting Information

The principal author of the document is Roger Bowling, FAA, Wine and Beer Branch.

List of Subjects in 27 CFR Part 4

Advertising, consumer protection, customs duties and inspection, imports, labeling, packaging and containers, wine.

Authority and Issuance

Accordingly, under the authority contained in section 5 of the Federal Alcohol Administration Act, 49 Stat. 981, as amended; 27 U.S.C. 205, the Director has issued this notice.

Signed: April 12, 1984.

Stephen E. Higgins,

Director.

Approved: May 9, 1984.

Edward T. Stevenson,

Acting Assistant Secretary (Enforcement and Operations).

[FR Doc. 84-13477 Filed 5-17-84; 8:45 am]

BILLING CODE 4810-31-M

DEPARTMENT OF AGRICULTURE

Forest Service

36 CFR Part 251

Land Uses; Special Uses

AGENCY: Forest Service, USDA.

ACTION: Proposed rule.

SUMMARY: The Forest Service proposes to amend 36 CFR 251.54 to require only consultation with the Secretary of Energy on applications for permits for electric power transmission lines of 66 KV or more. In addition, the agency proposes to remove the regulations at § 251.56(g)(3) requiring these permit applicants to agree to stipulations and terms allowing the surplus capacity of the transmission facility to be used by federal power marketing authorities. The proposed rule seeks to eliminate burdensome and outdated procedures and to conform the Forest Service electric power transmission facility permitting procedures to those used by the U.S. Fish and Wildlife Service (F&WLS) and Bureau of Land Management (BLM).

DATE: Comments must be received by July 17, 1984.

ADDRESS: Comments should be sent to: R. Max Peterson, Chief (2720), Forest Service, USDA, P.O. Box 2417, Washington, D.C. 20013. Comments will be available for review in the offices of the Forest Service Lands Staff, Room

1010, 1621 North Kent Street, Rosslyn, Virginia during regular working hours (8:00 a.m. to 4:30 p.m.) on regular working days.

FOR FURTHER INFORMATION CONTACT: Paul M. Stockinger, Lands Staff, (703) 235–2410.

SUPPLEMENTARY INFORMATION: The current Forest Service regulations require that applicants for special use permits for electric transmission lines in excess of 66 KV agree to wheeling stipulations. Wheeling is the transmission of power from one generating facility across the lines of another utility to reach a specific destination. These particular wheeling stipulations allow federal power marketing authorities to use the surplus capacity of a permittee's line to transmit federal power. Surplus capacity is defined as the amount of electric load a line may safely carry over its current level of operation.

The requirement to have wheeling stipulations in power transmission line permits for facilities 66 KV or greater was first regulated by the Department of the Interior in 1948. The requirement was removed in 1954, but reinstated in 1962, when the BLM regulations were changed to require a wheeling provision in their permits. At that time, the Forest Service regulations were also changed to require a similar stipulation. The enactment of the Public Regulatory Policies Act of 1978 (92 Stat. 3137) provides the Federal Energy Regulatory Commission with authority to impose wheeling provisions on electric utilities. The wheeling stipulation requirement in land management agency permits is no longer needed. The stipulation was removed from the Department of the Interior regulations in 1982 for the BLM by final rulemaking published March 23, 1982 for 43 CFR 2800, and in 1983 for the F&WLS by final rulemaking published July 11, 1983 for 50 CFR Part 29. To be consistent with the Department of the Interior, and to reduce needless duplication of requirements, this proposed rulemaking would revise the USDA Forest Service regulations to eliminate the provision.

The special application procedures at 36 CFR 251.54 would be revised to provide only for consultation with the Department of Energy (DOE) over the location of proposed electric power transmission lines of 66 kilovolts or higher. The other requirements would be deleted.

The special terms and conditions for special use authorizations in § 251.56 would be revised to delete the requirement for applicats to agree to wheeling stipulations for electric transmission lines of 66 KV or more. This revision would delete § 251.56(f)(3)(i)–(ii), (A)–(L).

This proposed rule has been reviewed under USDA procedures and Executive Order 12291 and it has been determined that this revised regulation is not a major rule. The revised regulation is not expected to increase costs to consumers served by power marketing agencies. The revision should decrease costs to the applicants and the Forest Service by reducing the reporting burden on the applicants, by reducing the administrative workload on the Forest Service in processing applications, and by eliminating delays caused by the referral of applications to the Department of Energy for review. The change will not increase costs to States or local governments.

In addition, the Assistant Secretary of Agriculture for Natural Resources and Environment has determined that this proposed rule will not have a significant economic effect on a substantial number of small entities under the Regulatory Flexibility Act of 1980 (Pub. L. 96–354) and therefore does not require a regulatory flexibility analysis.

This rule does not contain information collection requirements subject to Office of Management and Budget review under 44 U.S.C. Chapter 35.

List of Subjects in 36 CFR Part 251

Electric power, Mineral resources, Rights-of-way, Water.

PART 251—[AMENDED]

Therefore, for the reasons set forth above, it is proposed to amend Part 251 of Title 36 of the Code of Federal Regulations as set forth below:

1. The authority citation for Part 251 is as follows:

Authority: Sec. 1, 30 Stat. 35, as amended, 62 Stat. 100, sec. 1, 33 Stat. 628 (16 U.S.C. 551, 472), 90 Stat. 2776 (43 U.S.C. 1761–1771); (44 U.S.C. 3506).

2. In § 251.54, Special use applications, revise paragraph (g)(2) to read as follows:

§ 251.54 Special use applications.

* * * * *

(g) *Special application procedures.*

(1) * * *

(2) *Electric power transmission lines 66 KV or over.*

Each application for authority to construct and maintain a facility for the generation of electric power and energy or for the transmission or distribution of electric power and energy of 66 kilovolts or higher under this section shall be referred to the Secretary of Energy for consultation.

§ 251.56 [Amended]

3. In § 251.56, revise paragraph (f) by removing paragraphs (3)(i)–(ii), (A)–(L).

Dated: April 30, 1984.

John B. Crowell, Jr.,

Assistant Secretary for Natural Resources & Environment.

[FR Doc. 84–13491 Filed 5–17–84; 8:45 am]

BILLING CODE 3410–11–M

FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Part 67

[Docket No. 6599]

Proposed Flood Elevation Determinations; California et al.

Correction

In FR Doc. 84–12053 beginning on page 19343 in the issue of Monday, May 7, 1984, make the following corrections:

On page 19349, third column, first entry "Ruth Creek" should read "Rush Creek".

In the fourth column, line 2 "Ruth Creek should read "Rush Creek".

On page 19351, in the second entry for North Carolina, in the fourth column, the first location for Deep Creek should read "Mouth at Tuckasegee River"; and the second location for Deep Creek should read "About 0.36 mile upstream of Deep Creek Road".

BILLING CODE 1505–01–M

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

49 CFR Part 391

[BMCS Docket MC–103; Notice No. 84–3]

Exemption; Driver Qualification Files

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Withdrawal of notice of proposed rulemaking.

SUMMARY: The FHWA is withdrawing an April 4, 1983 notice of proposed rulemaking that would have granted, in part, a petition for exemption from certain driver qualification requirements. This decision is based on data and information received during this rulemaking which indicates that the proposal was not in the best interest of safety for the motoring public.

FOR FURTHER INFORMATION CONTACT: Mr. Neill L. Thomas, Bureau of Motor Carrier Safety, (202) 426–9767; or Mrs. Kathleen S. Markman, Office of the Chief Counsel, (202) 426–0346, Federal