mangement recognition system, conflict of interest, awards, benefits, and leave.

(4) Directs, coordinates, and evaluates a program of employee training to achieve the maximum utilization of skills and abilities of personnel. Conducts training sessions; plans and directs conferences; prepares training budget; approves training requests; and coordinates the Foreign Visitors Program.

(5) Provides advice and assistance to Agency officials and employees to ensure sound and effective administration of the Agency's personnel program.

(6) Maintains working relations and liaison on personnel management matters with the staff and other Agencies of the Department, and other government agencies.

(7) Participates fully with the Administrator in the development and enforcement of USDA equal employment opportunity programs under Title VII (as amended) of the Civil Rights Act of 1964; section 504 of the Rehabilitation Act of 1974; Title IX of the Education Amendments of 1972; the Equal Employment Opportunity Act of 1972; and related rules, regulations and other equal employment nondiscrimination statutes.

(c) *Administrative Services Division* administers the Agency's management improvement program, including cost reduction and operations improvement, work and productivity measurement, the Agency issuance system and the forms and report program. The division:

(1) Administers general services involving contracting and procurement, space management, property and supplies management, records management and communications.

(2) Administers the Agency's rulemaking and regulatory review activities, coordinating with the Office of the Federal Register, the Office of the General Counsel, and the Office of Management and Budget.

(d) *Statistics and Data Processing Division* analyzes application of data processing the REA program activities, including feasibility studies on the cost and benefits of automatic data processing. The division:

(1) Establishes standards and procedures for developing, maintaining and using the Agency's major automated systems covering borrower information, loan accounting and special management programs. Performs necessary systems analyses, development, and programming, and insures data security.

(2) Operates the data processing equipment of the Agency, including the conversion of data from source documents and the preparation of statements, reports, analyses, and other machine outputs. Provides necessary training and assistance to users.

(3) Collects and analyzes financial, operating, and other statistical data obtained from borrowers and other sources, and prepares reports on the progress and status of the programs of REA and the Rural Telephone Bank.

(e) *Fiscal Accounting Division* administers the fiscal accounting program of the agency and the Rural Telephone Bank. The divison:

(1) Develops, recommends and installs accounting policies, systems, and procedures regarding the Agency's and Bank's operations.

(2) Maintains accounts to provide control over and accountability for all funds, assets, liabilities, income and expenses of the Agency and the Bank; and prepares reports required by REA management, the RTB, the Department, and other government agencies.

(3) Examines and certifies for payment, vouchers and invoices covering administrative expenses and loan fund advances of the Agency and the Bank.

(4) Reviews, examines and processes monthly billings and debt service payments for REA and RTB loans.

(5) Reviews, examines and processes loan fund advances, billings, debt service payments and all other accounting related activities connected with Federal Financing Bank loans to REA borrowers.

**§ 1702.9 Information, Legislation, Program Support.**

*The Deputy Administrator—Policy and Program Support,* directs three separate staffs of the agency dealing with public information, legislation and program support.

(a) *Public Information Office* manages the information activities of the Agency to provide borrowers and the public with timely information concerning the operations, status, progress and accomplishments of the rural electrification and rural telephone programs. The office:

(1) Evaluates acceptability of Agency activities and programs and advises the Administrator on actions that will improve their acceptability and understanding.

(2) Administers the provisions of the Public Information Section of the Administrative Procedure Act.

(b) *Program Support Staff* administers Agency responsibilites for assuring that electric and telephone borrowers are properly insured and provides advice and guidance on insurance; provides advice and guidance to electric and telephone borrowers on labor-management issues, including interpreting labor laws and regulations that apply to them, and advice and assistance on energy conservation and load management.

(c) *Legislative Affairs Staff* analyzes the policy, program and procedural implications of Federal and State legislation affecting the REA program, prepares special reports for the administrator on legislative affairs and responds to inquiries from Congress and others concerning the REA programs. The staff maintains liaison with the Department's legislative staff and with Congressional offices, as appropriate.

Dated: October 24, 1986.

**Harold V. Hunter,**

*Administrator.*

[FR Doc. 86-24638 Filed 10-30-86; 8:45 am]

BILLING CODE 3410-15-M

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## Animal and Plant Health Inspection Service

**[Docket No. 86-078]**

**9 CFR Part 97**

## Commuted Traveltime Periods; Georgia and North Carolina

**AGENCY:** Animal and Plant Health Inspection Service, USDA.

**ACTION:** Final rule.

**SUMMARY:** This document amends the regulations in 9 CFR Part 97 which prescribe commuted traveltime allowances. The regulations are amended by adding commuted traveltime periods in Georgia and North Carolina. Commuted traveltime periods reflect, the time necessarily spent in reporting to and returning from the place at which an employee of Veterinary Services performs overtime or holiday duty when such travel is required solely on account of such overtime or holiday duty.

**EFFECTIVE DATE:** October 31, 1986.

**FOR FURTHER INFORMATION CONTACT:** Louise Rakestraw Lothery, Assistant Executive Officer, VS, APHIS, USDA, Room 857, Federal Building, 6505 Belcrest Road, Hyattsville, MD 20782, 436-8511.

**SUPPLEMENTARY INFORMATION:**

**Background**

The regulations in 9 CFR Part 97, entitled "Overtime Services Relating to Imports and Exports" (referred to below as the regulations), set forth provisions for obtaining, on a reimbursable basis, inspection, laboratory testing, certification, or quarantine services pertaining to the importation and exportation of animals, animal byproducts, or other commodities, during Sundays, holidays, or at other times outside the regular tour of duty of Veterinary Services (VS) employees who perform such services. These services are provided upon request to any person, firm, or corporation having ownership, custody, or control of the animals or commodities requiring such services.

The regulations provide that under certain circumstances the charges for reimbursable services of a VS employee shall include charges for a commuted traveltime period. Section 97.2 of the regulations contains administrative instructions prescribing commuted traveltime periods. Traveltime periods reflect, as nearly as is practicable, the average time required for a VS employee to travel from the location from which an employee is dispatched and return from the location where they perform overtime or holiday duty.

This document amends § 97.2 of the regulations by adding commuted traveltime periods in Georgia and North Carolina to cover the time necessarily spent in reporting to and returning from the place at which an employee performs such services. (The amendments are set forth in the rule portion of this document). This action is necessary to inform the public that VS employees are available to perform overtime or holiday duty and to inform the public of the commuted traveltime periods for such travel.

### Executive Order 12291 and Regulatory Flexibility Act

This rule is issued in conformance with Executive Order 12291 and has been determined to be not a "major rule." Based on information compiled by the Department, it has been determined that this rule will not have a significant effect on the economy; will not cause a major increase in costs or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions; and will not cause adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

For this rulemaking action, the Office of Management and Budget has waived the review process required by Executive Order 12291.

The number of animals, animal byproducts, or other commodities requiring inspection and other services of a VS employee on a Sunday, holiday, or overtime basis at the affected locations represent an insignificant portion of the total number of animals, animal byproducts, and other commodities that require such services at locations in the United States.

Under these circumstances, the Administrator of the Animal and Plant Health Inspection Service has determined that this action will not have a significant economic impact on a substantial number of small entities.

### Effective Date

The commuted traveltime periods appropriate for employees performing services at ports of entry, and the features of the reimbursement plan for recovering the cost of furnishing port of entry services depend upon facts within the knowledge of the Department of Agriculture. It does not appear that public participation in this rulemaking proceeding would make additional relevant information available to the Department.

Accordingly, pursuant to the administrative procedure provisions of 5 U.S.C. 553, it is found upon good cause that prior notice and other public procedure with respect to this rule are impracticable and contrary to the public interest; and good cause is found for making this rule effective less than 30 days after publication of this document in the **Federal Register.**

### Executive Order 12372

This program/activity is listed in the Catalog of Federal Domestic Assistance under No. 10.025 and is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 7 CFR Part 3015, Subpart V).

### List of Subjects in 9 CFR Part 97

Exports, Government employees, Imports, Livestock and livestock products, Poultry and poultry products, Transportation.

## PART 97—OVERTIME SERVICES RELATING TO IMPORTS AND EXPORTS

Under the circumstances described above, 9 CFR Part 97 is amended as follows:

1. The authority citation for Part 97 continues to read as follows:

**Authority:** 7 U.S.C. 2260, 49 U.S.C. 1741; 7 CFR 2.17, 2.51, and 371.2(d).

2. Section 97.2 is amended by adding in alphabetical order the information as shown below:

**§ 97.2 Administrative instructions prescribing commuted traveltime.**

* * * * *

COMMUTED TRAVELTIME ALLOWANCES

[In hours]

| Location covered | Served from | Metropolitan area | |
|---|---|---|---|
| | | Within | Outside |
| Add: | | | |
| * * * | * * | | |
| Georgia: | | | |
| Atlanta International Airport. | Acworth | | 3 |
| Do | Carrollton | | 3 |
| * * * | * * | | |
| North Carolina: | | | |
| Iredell | Franklin | | 6 |
| Do | Lumberton | | 6 |
| Do | Raleigh | | 6 |
| * * * | * * | | |

Done at Washington, DC, this 28th day of October, 1986.

**J.K. Atwell,**

*Deputy Administrator, Veterinary Services.*

[FR Doc. 86-24637 Filed 10-30-86; 8:45 am]

**BILLING CODE 3410-34-M**

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## DEPARTMENT OF ENERGY

### 10 CFR Part 205

**[Docket No. IE-86-24]**

## Reports of Major Electric Utility System Emergencies

**AGENCY:** Department of Energy.

**ACTION:** Final rule.

**SUMMARY:** The Office of International Affairs and Energy Emergencies (IE) of the Department of Energy (DOE) is amending its regulations, set forth at 10 CFR 205.350 *et seq.*, requiring reports of major electric utility system emergencies. The amendments modify the regulations to reflect current DOE organization and responsible officials, define more precisely the type of events which must be reported, and reduce the reporting burden on utilities and other entities subject to the reporting requirements.

**EFFECTIVE DATE:** The amended rules become effective December 1, 1986.

**FOR FURTHER INFORMATION CONTACT:**

James M. Brown, Jr., Office of Energy Emergency Operations (IE-242), Department of Energy, Forrestal Building, Mail Stop 8F-055, 1000 Independence Avenue, SW., Washington, DC 20585 (202) 252-5150;

Lise Courtney M. Howe, Office of Assistant General Counsel for International Affairs (GC-41), Department of Energy, Forrestal Building, Mail Stop 6A-167, 1000

Independence Avenue, SW., Washington, DC 20585 (202) 252-2900.

**SUPPLEMENTARY INFORMATION:**



## I. Background and Purpose of Rulemaking

In 1981, the Department adopted rules, contained in 10 CFR 205.350–205.355, to implement its responsibilities under sections 202(a) and 311 of the Federal Power Act (FPA) (Pub. L. 66-280, 16 U.S.C. 824(a) and 825(j)) regarding reporting of major electric utility system emergencies. (*See* 46 FR 2956, January 12, 1981.) Section 202(a) of the FPA authorizes certain actions as are necessary to assure an abundant supply of electric energy throughout the country, and Section 311 provides for the collection of data for the purpose of reporting to Congress the problems and developments of the electric power industry. To satisfy these mandates of the FPA, DOE's regulations require the reporting of major electric utility system emergencies, customer load reductions, and significant service interruptions in bulk electric power supply and actions taken to minimize their impact. A number of technical changes were made to the regulations in 1983 (48 FR 31010, July 6, 1983).

On July 16, 1986, DOE issued a notice of proposed rulemaking (51 FR 26399, July 23, 1986) to modify the existing rules in order to reflect the current organization of DOE, to define more precisely the types of events which must be reported to DOE, and to reduce the reporting burden on electric utilities and other entities subject to the reporting requirements. The proposed substantive changes to the regulations are summarized below.

Section 205.351, Reporting Requirements, presently requires electric utilities or other covered entities to report to DOE certain types of emergencies, customer load reductions, and significant service interruptions. The proposed amendments would modify § 205.351 by consolidating paragraphs (a) through (f) of that section, each of which describes a different type of situation which must be reported, and § 205.353, Fuel Emergencies, which contains another type of reportable event, into four principal categories of events. The four principal new categories are: Loss of Firm System Loads, Voltage Reductions or Public Appeals, Vulnerabilities that could Impact System Reliability, and Fuel Supply Emergencies. As explained in the July notice, this consolidation of reportable events would clarify existing reporting requirements by defining more precisely the types of conditions which must be reported to DOE. The proposed revision also would reduce in certain respects the reporting burden on electric utilities and other entities subject to the requirements, as discussed below.

Under the new "Loss of Firm System Loads" category (proposed § 205.352(a)(2)), the proposal raised the reporting threshold for loss of service to firm load for 15 minutes or more (contained in § 205.351(e) of the present regulations) from 200 MW to 300 MW to reduce the reporting burden on affected utilities. Specifically, utilities with a peak load of 3000 MW or more in the prior year would be required to report severe interruptions only if the firm load loss totals 300 MW or more. For utilities with a peak load of less than 3000 MW in the prior year, the proposal increased the reporting threshold from 100 MW to 200 MW, reducing the reporting burden on the small utilities.

The proposed "Fuel Supply Emergencies" category (proposed § 205.351(d)) set forth a new condition requiring a report when:

> Unscheduled emergency generation is dispatched, causing an abnormal use of a particular fuel type, such that the future supply or stocks of that fuel could reach a level which threatens the reliability or adequacy of electric service.

The notice explained that a condition of this nature is expected to occur very infrequently and only in case of dire emergency, so that the reporting burden is small. However, DOE proposed to require reporting on this type of condition to better enable it to carry out its FPA responsibilities. Therefore, the benefit associated with the requirement is expected to outweigh the minor additional reporting burden.

Finally, in a subcategory under the new category entitled "Vulnerabilities that could Impact System Reliability" (proposed § 205.351(c)(1)), the proposal described more completely than in the current § 205.351(d)(3), acts of physical sabotage or terrorism directed at an electric power supply system which would be required to be reported to DOE. Proposed paragraph (c)(1) provided that:

> (1) Reports are required for any actual or suspected act(s) or physical sabotage (not vandalism) or terrorism directed at an electric power supply system, local or regional, in an attempt to either:
>
> (i) Disrupt or degrade the service reliability of the local or regional bulk electric power supply system, or
>
> (ii) Disrupt, degrade, or deny electric power service to:
>
> (A) A specific facility (industrial, military, governmental, private), or
>
> (B) A specific service (transportation, communication), or
>
> (C) A specific locality (town, city, county).

## II. Analysis of Comments

Comments on the proposed rule were requested through September 8, 1986. Written comments were received from the New England Power Exchange (NEPEX), 174 Brush Hill Avenue, P.O. Box 2010, West Springfield, MA 01090 and the Edison Electric Institute (EEI) 1111 19th Street, N.W., Washington, D.C. 20036-3691. The Director of NEPEX and the Vice President of EEI generally support the proposed changes in the regulations. However, EEI suggested that additional clarification may be needed in proposed § 205.351(c)(2), which reflects a change in § 205.351(d) of the present regulations and which requires the report of "any abnormal emergency system operating condition(s) or other event(s) which could or would constitute a hazard to maintaining the *continuity* of the bulk electric power supply system." Although it is difficult to define this requirement more precisely, because the types of possible hazardous events are so numerous, we have modified the language in § 205.351(c)(2) by adding the words "in the judgment of the reporting entity", to give a measure of discretion to reporting entities. In addition, the following language has been added:

> Examples will be provided in the DOE pamphlet on reporting procedures.

After consideration of the comments received, the final rule will be adopted essentially as published in draft form.

## III. Procedural Matters

### *A. Environmental Analysis*

DOE has determined that the amendments, which are essentially administrative in nature, are not a major Federal action with significant environmental impact. Consequently, the amendments do not require preparation of an Environmental Assessment or Environmental Impact Statement under the National Environmental Policy Act of 1969, as amended, (Pub. L. 91-190, 42 U.S.C. 4321, *et seq.)* No comments were received opposing our conclusions, which were set forth in the draft rule.

### *B. Regulatory Flexibility Act*

The Regulatory Flexibility Act (Pub. L. 96-354, 5 U.S.C. 601-612), requires Federal agencies to consider the impact of proposed regulations on small businesses, small governmental units, and other small entities; to consider the ability of small entities to comply with the proposed regulations; and to consider less stringent alternative compliance standards for small entities. An agency is required to prepare a regulatory flexibility analysis to document its consideration of these factors except in the situation where the agency determines that a regulation will not have a significant economic impact on a substantial number of small entities. The amendments will not impose any additional burdens or impact on small entities, but rather they will reduce or clarify existing reporting obligations on certain entities. Therefore, DOE does not believe the obligations involved have a significant impact on small entities. Thus, a regulatory flexibility analysis will not be prepared. No comments were received opposing our conclusions.

*C. Executive Order 12291*

Section 3 of Executive Order (E.O.) 12291 (46 FR 13193, February 19, 1981) requires that agencies subject to it determine whether a proposed rule is a "major rule," as defined by Section 1(b) of E.O. 12291, and prepare a regulatory impact analysis for each major rule. Since the amendments principally either reduce or clarify present reporting requirements, or update the rules to reflect DOE's current organization, DOE determined that the proposed amendments did not meet the E.O. 12291 definition of a major rule as one likely to result in: (1) An annual effect on the economy of $100 million or more; (2) a major increase in costs or prices for consumers, individual industries, Federal, State and local government agencies, or geographic regions; or (3) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets. No comments were received opposing these conclusions.

*D. Paperwork Reduction Act*

The reporting requirements contained in these regulations have been approved by the Office of Management and Budget (OMB), and assigned OMB Approval Number 1901–0288 on July 31, 1986, pursuant to Section 3504(h) of the Paperwork Reduction Act (Pub. L. 96–511, 44 U.S.C. 3504(h)).

*E. Section 404 of the Department of Energy Organization Act*

Section 404(a) of the Department of Energy Organization Act (DOE Act) (Pub. L. 95–91, 42 U.S.C. 7174(a)) requires that the Federal Energy Regulatory Commission (FERC) be notified whenever the Secretary proposes to prescribe rules, regulations, and statements of general applicability in the exercise of functions transferred to him under sections 301 and 306 of the DOE Act. The FERC was notified of these regulations on September 18, 1986, and requested to make the necessary determination regarding impact on any function within its jurisdiction. The FERC notified DOE by letter dated October 14, 1986, that it would not take referral of these regulations.

**List of Subjects in 10 CFR Part 205**

Electric power, Electric utilities, Reporting and recordkeeping requirements.

(Department of Energy Organization Act, Pub. L. 95–91, 91 Stat. 565 (42 U.S.C. 7101).)

In consideration of the foregoing, Title 10 of the Code of Federal Regulations, Chapter II, is amended as set forth below.

Issued in Washington, D.C., on October 24, 1986.

**David B. Waller,**

*Assistant Secretary for International Affairs and Energy Emergencies.*

## PART 205—[AMENDED]

1. The authority citation for §§ 205.350–205.353 is revised to read as follows:

**Authority:** Department of Energy Organization Act, Pub. L. 95–91 (42 U.S.C. 7101); Federal Power Act, Pub. L. 66–280 (16 U.S.C. 791 *et seq.*)

## Subpart W—Electric Power System Permits and Reports; Applications; Administrative Procedures and Sanctions

* * * * *

**Report of Major Electric Utility System Emergencies**

2. Title 10, Part 205, Subpart W, §§ 205.350, 205.351, 205.352 and 205.353 are revised to read as follows, and § 205.354 is removed.

**§ 205.350 General purpose.**

The purpose of this rule is to establish a procedure for the Office of International Affairs and Energy Emergencies (IE) to obtain current information regarding emergency situations on the electric energy supply systems in the United States so that appropriate Federal emergency response measures can be implemented in a timely and effective manner. The data also may be utilized in developing legislative recommendations and reports to the Congress.

(Approved by the Office of Management and Budget under control number 1901–0288)

**§ 205.351 Reporting requirements.**

For the purpose of this section, a report or a part of a report may be made jointly by two or more entities. Every electric utility or other entity engaged in the generation, transmission or distribution of electric energy for delivery and/or sale to the public shall report promptly, through the DOE Emergency Operations Center, by telephone, the occurrence of any event such as described in paragraphs (a) through (d) of this section. These reporting procedures are mandatory. Entities that fail to comply within 24 hours will be contacted and reminded of their reporting obligation.

(a) *Loss of Firm System Loads*, caused by:

(1) Any load shedding actions resulting in the reduction of over 100 megawatts (MW) of *firm* customer load for reasons of maintaining the *continuity* of the bulk electric power supply system.

(2) Equipment failures/system operational actions attributable to the loss of *firm* system loads for a period in excess of 15 minutes, as described below:

(i) Reports from entities with a previous year recorded peak load of over 3000 MW are required for all such losses of *firm* loads which total over 300 MW.

(ii) Reports from all other entities are required for all such losses of *firm* loads which total over 200 MW or 50 percent of the system load being supplied immediately prior to the incident, whichever is less.

(3) Other events or occurrences which result in a continuous interruption for 3 hours or longer to over 50,000 customers, or more than 50 percent of the total customers being served immediately prior to the interruption, whichever is less.

(b) *Voltage Reductions or Public Appeals:*

(1) Reports are required for any anticipated or actual system voltage reductions of 3 percent or greater for purposes of maintaining the *continuity* of the bulk electric power supply system.

(2) Reports are required for any issuance of a public appeal to reduce the use of electricity for purposes of maintaining the *continuity* of the bulk electric power system.

(c) *Vulnerabilities that could Impact System Reliability:*

(1) Reports are required for any actual or suspected act(s) of physical sabotage (not vandalism) or terrorism directed at an electric power supply system, local or regional, in an attempt to either:

(i) Disrupt or degrade the service reliability of the local or regional bulk electric power supply system, or

(ii) Disrupt, degrade, or deny bulk electric power service to:

(A) A specific facility (industrial, military, governmental, private), or

(B) A specific service (transportation, communications), or

(C) A specific locality (town, city, county).

(2) Reports are required for any abnormal emergency system operating condition(s) or other event(s) which in the judgment of the reporting entity could or would constitute a hazard to maintaining the *continuity* of the bulk electric power supply system. Examples will be provided in the DOE pamphlet on reporting procedures.

(d) *Fuel Supply Emergencies:*

(1) Reports are required for any anticipated or existing fuel supply emergency situation which would threaten the *continuity* of the bulk electric power supply system, such as:

(i) Fuel stocks or hydro project water storage levels are at 50 percent (or less) of normal for that time of the year, and a continued downward trend is projected.

(ii) Unscheduled emergency generation is dispatched causing an abnormal use of a particular fuel type, such that the future supply or stocks of that fuel could reach a level which threatens the reliability or adequacy of electric service.

(Approved by the Office of Management and Budget under control number 1901–0288)

**§ 205.352 Information to be reported.**

The emergency situation data shall be supplied to the DOE Emergency Operations Center in accordance with the current DOE pamphlet on reporting procedures. The initial report shall include the utility name; the area affected; the time of occurrence of the initiating event; the duration or an estimate of the likely duration; an estimate of the number of customers and amount of load involved; and whether any known critical services such as hospitals, military installations, pumping stations or air traffic control systems, were or are interrupted. To the extent known or reasonably suspected, the report shall include a description of the events initiating the disturbance. The DOE may require further clarification during or after restoration of service.

(Approved by the Office of Management and Budget under control number 1901–0288)

**§ 205.353 Special investigation and reports.**

If directed by the Director, Office of Energy Emergency Operations in writing and noticed in the **Federal Register**, a utility or other subject entity experiencing a condition described in § 205.351 above shall submit a full report of the technical circumstances surrounding a specific power system disturbance, including the restoration procedures utilized. The report shall be filed at such times as may be directed by the Director, Office of Energy Emergency Operations.

(Approved by the Office of Management and Budget under control number 1901–0288)

**§ 205.354 [Removed]**

[FR Doc. 86–24681 Filed 10–30–86; 8:45 am]

BILLING CODE 6450-01-M

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## DEPARTMENT OF THE TREASURY

## Customs Service

## 19 CFR Part 111

**[T.D. 86–195]**

## Annual User Fee for Customs Brokers' Permits

**AGENCY:** Customs Service, Treasury.

**ACTION:** Final rule; announcement of due date of broker's user fee.

**SUMMARY:** This document advises customs brokers that for 1987 the annual user fee of $125 that is assessed for each permit held by an individual, partnership, association or corporate broker is due by January 1, 1987. This announcement is being published to comply with the Tax Reform Act of 1986. Further, to be consistent with this Act, the document amends the Customs Regulations concerning payment of the user fee for 1986.

**EFFECTIVE DATE:** October 31, 1986.

**FOR FURTHER INFORMATION CONTACT:** Fred Burns O'Brien, Entry Licensing and Restricted Merchandise Branch (202–566–5765).

**SUPPLEMENTARY INFORMATION:**

### Background

Section 13031 of the Consolidated Omnibus Budget Reconciliation Act of 1985 (Pub. L. 99–272, passed on April 7, 1986), established that an annual user fee of $125 is to be assessed for each customs broker's permit held by an individual, partnership, association or corporate broker. The legislative history of this law provides that this fee will help to defray the costs of regulating the brokerage industry. Accordingly, by T.D. 86–109, published in the **Federal Register** on June 11, 1986 (51 FR 21152), a new § 111.96, Customs Regulations (19 CFR 111.96), was provided to set forth the fee. T.D. 86–161, which was published in the **Federal Register** on August 26, 1986 (51 FR 30336), and which extensively revised the Customs Regulations relating to brokers, again set forth the $125 user fee for customs brokers in § 111.96.

Section 111.96, Customs Regulations, states that the $125 user fee is payable for each calendar year in each district where a broker has a permit to do business. If a broker receives a permit at a time other than the beginning of a calendar year, the full $125 must be paid immediately. If a broker fails to pay the fee by January 1 of each year or immediately at the time he receives his permit, the district director will notify the broker in writing of failure to pay and revoke the permit to operate. The notice will constitute revocation of the permit.

Section 111.96 also discusses payment of the user fee for the remainder of calendar year 1986. It states that full payment of $125 was due by August 5, 1986, in each district where a broker has a permit to do business, and revocation will be effective August 5, 1986, if payment is not made.

On October 22, 1986, the Tax Reform Act of 1986 (Pub. L. 99–514) became law. This Act makes technical amendments to the Consolidated Omnibus Budget Reconciliation Act of 1985. Section 1893, Pub. L. 99–514, provides that notice of the date on which payment is due of the user fee for each broker permit shall be published by the Secretary of the Treasury in the **Federal Register** by no later than 60 days before such due date, and a broker permit may be revoked or suspended for nonpayment of the fee only if notice of the due date is published in the **Federal Register** at least 60 days before such due date. This document notifies brokers that payment for 1987 is due on January 1, 1987.

Section 1893, Pub. L. 99–514, also provides that the fee for 1986 with respect to each broker permit held by an individual, partnership, association or corporate broker is $62.50 rather than $125.00 as set forth in Pub. L. 99–272. The revised fee is in conflict with § 111.96(c)(2), Customs Regulations (19 CFR 111.96(c)(2)), which was based upon Pub. L. 99–272. Because of the legislative changes and since the fee for 1986 has already been paid, § 111.96, Customs Regulations, is being amended by removing paragraph (c)(2).

Pub. L. 99–514 also provides that if the broker permit fee paid for 1986 exceeded $62.50, a refund shall be made of the excess or, if requested by the broker, credit may be given of the excess fee paid, towards the 1987 fee.