

**Note.**—It is advisable to prepare the sample and standard solutions immediately before spotting to minimize the possibility of degradation in solution.)

(2) **Standard solution.** Prepare a solution of erythromycin base reference standard in anhydrous methanol to contain 1 milligram per milliliter. Weigh 99.5, 99.0, and 97.0 milligrams of erythromycin estolate (propionyl erythromycin lauryl sulfate) reference standard and transfer to separate 10-milliliter volumetric flasks. To these flasks add 0.5, 1.0, and 3.0 milliliters, respectively, of the 1-milligram-per-milliliter solution of erythromycin base reference standard and dilute to volume with anhydrous methanol. These solutions contain, respectively, 0.5 percent, 1.0 percent, and 3.0 percent erythromycin base in erythromycin estolate. Prepare a solution of erythromycin estolate reference standard in anhydrous methanol to contain 10 milligrams per milliliter. Prepare a solution of erythromycin base reference standard in anhydrous methanol to contain 0.1 milligram per milliliter.

(d) **Procedure.** Pour 100 milliliters of developing solvent into the glass trough on the bottom of the unlined chromatography tank. Cover and seal the tank. Allow it to equilibrate while the plate is being prepared. Prepare a plate as follows: On a line 2.0 centimeters from the base of the thin-layer plate, apply 1.0 microliter of each of the following solutions:

(1) 10-milligrams-per-milliliter solution of erythromycin estolate reference standard, equivalent to 10 micrograms of erythromycin estolate;

(2) 0.5 percent base-in-estolate solution, equivalent to 0.05 microgram of base and 9.95 micrograms of estolate;

(3) 1.0 percent base-in-estolate solution, equivalent to 0.10 microgram of base and 9.90 micrograms of estolate;

(4) 3.0 percent base-in-estolate solution, equivalent to 0.30 microgram of base and 9.70 micrograms of estolate;

(5) 0.1-milligram-per-milliliter solution of erythromycin base reference standard, equivalent to 0.1 microgram of erythromycin base; and

(6) Sample solution, equivalent to 10 micrograms of erythromycin estolate. Allow the spots to dry. Place the plate directly in the chromatograph tank. Cover and seal the tank. Allow the solvent front to travel a distance of 7 centimeters (about 27 minutes). Remove the plate from the tank, and allow it to air dry under a hood. With the plate still under the hood, spray uniformly with the spray solution. Heat the sprayed plate in an oven at 100 °C for 5 minutes. (CAUTION: Avoid exposure to the acid

fumes while removing the plate from the oven.)

(e) **Evaluation.** Erythromycin base and erythromycin estolate appear as reddish-violet spots on the sprayed and heated plate. Better visualization of the erythromycin base spots may be gained by viewing the plate under long-wavelength (366 nanometers) ultraviolet light, erythromycin base appearing as dark spots on a yellow-green fluorescent background. Erythromycin base has an  $R_f$  value of about 0.3. Erythromycin estolate has an  $R_f$  value of about 0.7. Compare the size and intensity of any erythromycin base spots in the sample lane with the erythromycin base spots in the erythromycin base reference standard lane and in the 0.5 percent, 1.0 percent, and 3.0 percent base-in-estolate lanes, and report the percentage of erythromycin base (free erythromycin) in the sample. For a more accurate determination of free erythromycin content, it may be necessary to repeat the test using a different set of standards.

#### PART 452—MACROLIDE ANTIBIOTIC DRUGS

3. The authority citation for 21 CFR Part 452 continues to read as follows:

Authority: Sec. 507, 59 Stat. 463, as amended (21 U.S.C. 357); 21 CFR 5.10.

4. In § 452.15, paragraph (a)(1)(ii) is added, (a)(3)(i) is revised, (b)(2) is added, and (b)(4) and (6) are revised to read as follows:

##### § 452.15 Erythromycin estolate.

(a) \* \* \*

(1) \* \* \*

(ii) Its free erythromycin content is not more than 3.0 percent.

\* \* \* \* \*

(3) \* \* \*

(i) Results of tests and assays on the batch for potency, free erythromycin content, moisture, pH, crystallinity, and identity.

\* \* \* \* \*

(b) \* \* \*

(2) **Free erythromycin content.**

Proceed as directed in § 436.362 of this chapter.

\* \* \* \* \*

(4) **pH.** Proceed as directed in § 436.202 of this chapter, using an aqueous suspension containing 10 milligrams per milliliter.

\* \* \* \* \*

(6) **Identity test.** Proceed as directed in § 436.211 of this chapter, preparing the sample as described in paragraph (b)(1) of that section.

Dated: January 12, 1988.

Daniel L. Michels,

Director, Office of Compliance, Center for Drug Evaluation and Research.

[FR Doc. 88-1354 Filed 1-22-88; 8:45 am]

BILLING CODE 4160-01-M

## DEPARTMENT OF TRANSPORTATION

### Federal Highway Administration

#### 23 CFR Part 635

#### Physical Construction Authorization

**AGENCY:** Federal Highway Administration (FHWA), DOT.

**ACTION:** Final rule.

**SUMMARY:** The Federal Highway Administration (FHWA) is amending its regulation regarding the erection of certain signs on Federal-aid construction projects to implement Section 154 of the Surface Transportation and Uniform Relocation Assistance Act (STURAA) of 1987. Section 154 mandates that those States that currently have a practice of erecting signs identifying funding sources on construction projects without Federal-aid highway assistance shall be required to erect signs displaying sources and amounts of funds on all Federal-aid highway projects. The current regulations provide for the erection of only those signs that conform to the standards developed by the Secretary of Transportation. The FHWA must determine that the States' plans, specifications, and estimates meet these conditions before authorization to advance a Federal-aid project to the physical construction stage. This amendment will allow erection of funding source signs that do not presently conform to standards developed by the Secretary. Furthermore, this amendment requires that provisions be included in the plans, specifications, and estimates, where applicable, that require erection of funding source signs, during the life of the construction project, prior to authorization for physical construction.

**EFFECTIVE DATE:** January 25, 1988.

#### FOR FURTHER INFORMATION CONTACT:

Mr. William A. Weseman, Chief, Construction and Maintenance Division, (202) 366-0392 or Mr. Michael J. Laska, Office of Chief Counsel, (202) 366-1383, Federal Highway Administration, 400 Seventh Street SW., Washington, DC 20590. Office hours are from 7:45 a.m. to 4:15 p.m., ET, Monday through Friday.

**SUPPLEMENTARY INFORMATION:** Section 154 of the STURAA of 1987 (Pub. L.



100-17, 101 Stat. 132, 209) provides as follows:

If a State has a practice of erecting on projects under actual construction without Federal-aid highway assistance signs which indicate the source or sources of any funds used to carry out such projects, such State shall erect on all projects under actual construction with any funds made available out of the Highway Trust Fund (other than the Mass Transit Account) signs which are visible to highway users and which indicate each governmental source of funds being used to carry out such federally assisted projects and the amount of funds being made available by each such source.

This provision is intended to require those States that have adopted innovative funding strategies using a mixture of funds to provide the public with a factual statement of the funding sources. It is not intended to require those States that do not have a practice of erecting such signs at construction sites to begin such a practice. The FHWA believes that those States that desire to initiate such a practice, however, may do so under specifications and provisions developed by the State and approved by the FHWA.

The regulation at 23 CFR 635.309 prescribes the policies and procedures under which a State highway agency (SHA) may be authorized to advance a Federal-aid highway project to the physical construction stage. Paragraph (n) of § 635.309 places explicit restrictions on the erection of signs on Federal-aid highway construction projects. Signs that currently may be erected are information signs and traffic control devices that conform with the standards developed by the Secretary of Transportation and not construction identification or other informational signs regarding such State matters as the identification of responsible State officials. This final rule amends paragraph (n) of § 635.309 to allow the erection of signs mandated by Federal law. Furthermore, this final rule adds paragraph (o) to § 635.309 to ensure that provisions are included in the plans, specifications, and estimates to require the erection of funding source signs in accordance with section 154 of the STURAA of 1987 prior to authorization for physical construction. Funding source signs are temporary signs that shall be erected for the life of the construction project.

The FHWA believes that specifications and provisions for erecting funding source signs on Federal-aid projects should be developed by the States based on their existing practices and approved by the FHWA. These specifications and provisions should consider the physical

characteristics, location, and number of signs to be placed on a project as well as traffic control and safety issues. Only essential information regarding the sources and amounts of funding shall be included on funding source signs. Promotional information, such as identification of public officials, contractors, organizational affiliations, and related symbols or logos shall be prohibited.

The FHWA has determined that the cost of furnishing, erecting, maintaining, or removing funding source identification signs is eligible for Federal-aid participation as part of a Federal-aid construction contract. Signs may be considered an incidental item to the construction or bid as a separate pay item. Cost will be reimbursed at the same pro rata share as the construction.

In compliance with paragraphs (n) and (o) of 23 CFR 635.309, the FHWA Division Administrator shall determine that funding source signs are in conformance with the regulation and the intent of section 154 of the STURAA of 1987.

#### Regulatory Impact

The FHWA has determined that this document does not contain a major rule under Executive Order 12291 or a significant regulation under the regulatory policies and procedures of the Department of Transportation. Since the revisions in this document are being issued for the purpose of literally complying with statutory language mandated by Section 154 of the STURAA of 1987, public comment is impracticable and unnecessary. The revisions provide additional information to the public and require no change in FHWA procedures concerning authorization for physical construction. Therefore, the FHWA finds good cause to make the revisions final without notice and opportunity for comment and without a 30-day delay in effective date under the Administrative Procedure Act (5 U.S.C. 553). Notice and opportunity for comment are not required under the regulatory policies and procedures of the Department of Transportation because it is not anticipated that such action could result in the receipt of useful information because of the ministerial nature of this rulemaking action. It is anticipated that the economic impact of this rulemaking, although mandated by the statutory provisions themselves, will be minimal. Therefore, a full regulatory evaluation is not required. For this reason and under the criteria of the Regulatory Flexibility Act, the FHWA hereby certifies that this action will not have a significant

economic impact on a substantial number of small entities.

In consideration of the foregoing, and under authority of the STURAA of 1987 (Pub. L. 100-17), the FHWA is amending Part 635, Subpart C, Chapter 1 of Title 23, Code of Federal Regulations, as set forth below.

(Catalog of Federal Domestic Assistance Program Number 20.205, Highway Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program.)

#### List of Subjects in 23 CFR Part 635

Government contracts, Grant programs—Transportation, Highways and roads, Signs and symbols.

Issued on January 19, 1988.

Robert E. Farris,  
Deputy Administrator, Federal Highway Administration.

The Federal Highway Administration hereby amends 23 CFR Part 635, Subpart C as follows:

#### PART 635—CONSTRUCTION AND MAINTENANCE

1. The authority citation for Part 635 continues to read as follows:

Authority: 23 U.S.C. 112, 113, 114, 117, 128, and 315; 31 U.S.C. 6506; 42 U.S.C. 3334, 4601 *et seq.*; 49 CFR 1.48(b).

#### Subpart C—Physical Construction Authorization

2. In § 635.309(k), a technical correction is necessary. Amend the reference “§ 645.116(b)” to read “§ 645.119(b).”

3. In § 635.309, paragraph (n) is revised and paragraph (o) is added to read as follows:

#### § 635.309 Authorization.

(n) The FHWA Division Administrator has determined that the PS&E provide for the erection of only those information signs and traffic control devices that conform to the standards developed by the Secretary of Transportation or mandates of Federal law and do not include promotional or other informational signs regarding such matters as identification of public officials, contractors, organizational affiliations, and related logos and symbols.

(o) The FHWA Division Administrator has determined that, where applicable, provisions are included in the PS&E that require the erection of funding source signs, for the life of the construction project, in accordance with section 154



of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

[FR Doc. 88-1395 Filed 1-22-88; 8:45 am]

BILLING CODE 4910-22-M

## 23 CFR Part 635

### Convict Labor and Materials

**AGENCY:** Federal Highway Administration (FHWA), DOT.

**ACTION:** Final rule.

**SUMMARY:** The Federal Highway Administration (FHWA) is amending its regulation on the use of convict labor and convict produced materials on Federal-aid highway projects to implement provisions mandated by section 112 of the Surface Transportation and Uniform Relocation Assistance Act (STURAA) of 1987. Section 112 amended 23 U.S.C. 114(b) by prohibiting the use of materials produced by convict labor on Federal-aid highway projects unless (1) produced by convicts who are on parole, supervised release, or probation or (2) if produced by convicts in a prison facility, the quantity is limited to prior usage levels. The regulations implementing 23 U.S.C. 114(b) are revised to reflect the statutory amendment.

**EFFECTIVE DATE:** January 25, 1988.

#### FOR FURTHER INFORMATION CONTACT:

Mr. William A. Weseman, Chief, Construction and Maintenance Division, (202) 366-1548, or Mr. Michael J. Laska, Office of Chief Counsel, (202) 366-1383, Federal Highway Administration, 400 Seventh Street, SW., Washington, DC 20590. Office hours are from 7:45 a.m. to 4:15 p.m., E.T., Monday through Friday, except legal holidays.

**SUPPLEMENTARY INFORMATION:** The Surface Transportation and Uniform Relocation Assistance Act (STURAA) became law on April 2, 1987, (Pub. L. 100-17, 101 Stat. 132). Section 112 of the STURAA amends 23 U.S.C. 114(b) to include limitations on convict produced materials. The section as amended will continue the limitation on convict labor and limit the use of materials produced by convict labor for use in Federal-aid highway construction (1) to materials produced by convicts who are on parole, supervised release, or probation from a prison or (2) to materials produced in a qualified prison facility with the amount of such materials produced during any 12-month period not exceeding the amount produced in such facility for use in such construction during the 12-month period ending July 1, 1987.

On January 6, 1983, the President signed into law the Surface Transportation Assistance Act (STAA) of 1982 (Pub. L. 97-424, 96 Stat. 2097). Section 148 of the STAA of 1982 amended 23 U.S.C. 114(b) which provided that convict labor could not be used in the construction of any highway or portion of highway located on a Federal-aid system unless it was performed by convicts who were on parole or probation. Section 148 extended this restriction to materials produced by convict labor. Subsequently, section 202 of the Departments of Commerce, Justice, and State, and the Judiciary and Related Agencies Appropriations Act, 1984 (Pub. L. 98-166, 97 Stat. 1071, 1085) essentially repealed section 148 and again permitted materials to be produced by convict labor for use in the construction of any highway or portion of highway located on the Federal-aid systems, as described in section 103 of Title 23, United States Code. Section 112 of the STURAA repeals section 202 of the Departments of Commerce, Justice, State, the Judiciary and Related Agencies Appropriation Act, 1984.

Section 112 of the STURAA identifies the construction activities affected by its provisions as "construction of any highway or portions of highways located on a Federal-aid system." This is identical to the terminology used in 23 U.S.C. 114(a) in prescribing requirements applicable to Federal-aid highway construction. Based on this and the language contained in the conference report, it was the clear intent of Congress that the limitations and application of section 112 were addressed to Federal-aid highway construction projects. For this reason, "Federal-aid highway construction" and "Federal-aid construction projects" are the terms used in the regulation.

To implement section 112 of the STURAA, the revised regulation will include the following changes:

1. Section 635.124 will be revised to include language conforming to section 112 of the STURAA permitting convicts on parole, supervised release, or probation to be employed on Federal-aid highway projects. This was previously addressed only in section 114 of Title 23 U.S.C.

2. Section 635.417 will be added to include requirements conforming to section 112 of the STURAA for the use of convict produced materials in construction of Federal-aid highway construction projects. Standard Federal-aid contract procedures will be used to assure compliance with the requirements of this section.

The FHWA has determined that this document does not contain a major rule under Executive Order 12291 or significant regulation under the regulatory policies and procedures of the Department of Transportation. Since the revisions in this document substantially reflect statutory language mandated by section 112 of the STURAA, public comment is unnecessary. Notice and opportunity for comment are not required under the regulatory policies and procedures of the Department of Transportation (DOT) because it is not anticipated that such action could result in the receipt of useful information since the revisions incorporated in the regulation require no interpretation and provide for no discretion.

Accordingly, for the foregoing reasons and under the criteria of the Regulatory Flexibility Act, it is certified that this action will not have a significant impact on a substantial number of small entities and that the preparation of a full regulatory evaluation is not required.

In consideration of the foregoing, the FHWA hereby amends Chapter 1 of Title 23, Code of Federal Regulations, Part 635 as set forth below.

(Catalog of Federal Domestic Assistance Program Number 20.205, Highway Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation of Federal programs and activities apply to this program.)

#### List of Subjects in 23 CFR Part 635

Convict labor and materials, Grant programs—Transportation, Highways and roads.

Issued on: January 19, 1988.

**Robert E. Farris,**

*Deputy Administrator, Federal Highway Administration.*

The FHWA hereby amends 23 CFR Part 635 as follows:

#### PART 635—CONSTRUCTION AND MAINTENANCE

1. The authority citation for Part 635 is revised to read as follows:

**Authority:** 23 U.S.C. 112-114, 117, 128, and 315; 31 U.S.C. 6505; 42 U.S.C. 3334, 4601 *et seq.*; 49 CFR 1.48(b).

2. Section 635.124 is amended by revising paragraph (a) to read as follows:

##### § 635.124 Labor and employment.

(a) No convict labor, unless performed by convicts who are on parole, supervised release, or probation, shall be employed in construction or used for maintenance or any other purpose at the



site or within the limits of any Federal-aid highway construction project from the time of award of the contract or the start of work on force account until final acceptance of the work by the State highway agency.

3. Section 635.417 is added to read as follows:

**§ 635.417 Convict produced materials.**

(a) Materials produced by convict labor may only be incorporated in a Federal-aid highway construction project if such materials have been:

(1) Produced by convicts who are on parole, supervised release, or probation from a prison or

(2) Produced in a qualified prison facility and the cumulative annual production amount of such materials for use in Federal-aid highway construction does not exceed the amount of such materials produced in such facility for use in Federal-aid highway construction during the 12-month period ending July 1, 1987.

(b) "Qualified prison facility" means any prison facility in which convicts, during the 12-month period ending July 1, 1987, produced materials for use in Federal-aid highway construction projects.

[FR Doc. 88-1396 Filed 1-22-88; 8:45 am]

BILLING CODE 4910-22-M

**ENVIRONMENTAL PROTECTION AGENCY**

**40 CFR Part 180**

[PP 4F3046/R9 30; FRL-3319-8]

**Pesticide Tolerance for Cyfluthrin**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Final rule.

**SUMMARY:** This rule establishes tolerances for the combined residues of the synthetic pyrethroid cyfluthrin in or on the commodity cottonseed. This regulation to establish maximum permissible levels for the combined residues of cyfluthrin was requested pursuant to a petition by Mobay Corp.

**EFFECTIVE DATE:** January 25, 1988.

**ADDRESS:** Written objections may be submitted to the: Hearing Clerk (A-110), Environmental Protection Agency, Room 3708, 401 M Street SW., Washington, DC 20460.

**FOR FURTHER INFORMATION CONTACT:** George T. LaRocca, Product Manager (PM) 15, Registration Division (TS-767C), Office of Pesticide Programs, Environmental Protection Agency, Room

200, CM #2, 1921 Jefferson Davis Highway, Arlington, VA 22202, (703) 557-2400.

**SUPPLEMENTARY INFORMATION:** EPA issued a notice in the *Federal Register* of April 25, 1984 (49 FR 17809), which announced that Mobay Corp., P.O. Box 4913, Hawthorne Rd., Kansas City, MO 64120, had submitted a pesticide petition, PP 4F3046, proposing to establish tolerances in or on the raw agricultural commodities cottonseed, peanuts, and soybeans, meat, fat, and meat byproducts of cattle, goats, hogs, horses, and sheep; and milk for the combined residues of the insecticide cyfluthrin (cyano(4-fluoro-3-phenoxyphenyl)methyl 3-(2,2-dichloroethenyl)-2,2-dimethyl cyclopropanecarboxylate).

No comments were received in response to the notice of filing.

On May 14, 1984, Mobay Chemical Corp. amended the pesticide petition by deleting the proposed tolerances for peanuts and soybeans.

On December 30, 1987 the Agency issued a conditional registration for cyano(4-fluoro-3-phenoxyphenyl)methyl 3-(2,2-dichloroethenyl)-2,2-dimethyl cyclopropanecarboxylate on cotton with a final expiration date of March 31, 1990. One of the conditions for registration is the submission of a simulated and/or actual field test (72-7) to determine the effect of cyfluthrin on aquatic organisms. This study must be submitted to the Agency by March 31, 1990. Another condition of the registration is the submission of a fish life-cycle test (72-5). This study must be submitted to the Agency March 31, 1990. Owing to the lack of field studies, the Agency is establishing the tolerance for this pesticide on cottonseed with an expiration date of July 31, 1991 to cover residues expected to be present from use during the period of conditional registration.

The data submitted in the petition and other relevant material have been evaluated. The toxicology data considered in support of the tolerance include a 12-month oral toxicity study in dogs with a no-observed-effect level (NOEL) of 4.0 mg/kg/day; 24 month rat and mouse chronic feeding study with a systemic NOEL of 2.5 mg/kg/day with no oncogenic effects observed at dose levels up to and including 22.5 and 120 mg/kg/day, the highest dose levels tested for rats and mice, respectively. No teratogenic effects were observed in rats at dose levels up to and including 30 mg/kg/day, or in rabbits at doses levels up to and including 45 mg/kg/day (the highest dose levels tested). The following genotoxicity tests were

negative: a gene mutation assay (CHO/HGPRT), a sister chromatid exchange assay, and an unscheduled DNA synthesis assay.

The acceptable daily intake (ADI), based on a NOEL of 2.5 mg/kg body weight/day from a 2-year rat feeding study and a safety factor of 100, is 0.025 mg/kg body weight/day. The theoretical maximum residue contribution from the proposed tolerances is 0.000258 mg/kg body weight/day; this is equivalent to about 1.0 percent of the ADI.

The metabolism of the chemical in plants for this cotton use is adequately understood. An analytical method (gas liquid chromatography with an electron capture detector) is available for enforcement. The methodology is being made available to anyone who is interested in pesticide enforcement when requested from: By mail:

Information Service Section (TS-767C), Program Management and Support Division, Office of Pesticide Programs, Environmental Protection Agency, 401 M Street SW., Washington, DC 20460  
Office location and telephone number: Room 236, CM #2, 1921 Jefferson Davis Highway, Arlington, VA 22202, (703)-557-3262.

The tolerances established by amending 40 CFR Part 180 will be adequate to cover residues in or on cottonseed.

There are currently no actions pending against the registration of this product. This pesticide is considered useful for the purpose for which the tolerance is sought.

Based on the above information and data considered, the Agency concludes that the tolerance would protect the public health. Therefore, as proposed below, the tolerance would be established for a period extending to July 31, 1991.

Any person adversely affected by this regulation may, within 30 days after publication of this document in the *Federal Register*, file written objections with the Hearing Clerk, at the address given above. Such objections should specify the provisions of the regulation deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing and the grounds for the objections. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought.

Pursuant to the requirements of the Regulatory Flexibility Act (Pub. L. 96-354, 94 Stat. 1164, 5 U.S.C. 601-612), the Administrator has determined that regulations establishing new tolerances



or raising tolerance levels or establishing exemptions from tolerance requirements do not have a significant economic impact on a substantial number of small entities. A certification statement to this effect was published in the *Federal Register* of May 4, 1981 (46 FR 24950).

The Office of Management and Budget has exempted this rule from the requirements of section 3 of Executive Order 12291.

(Sec. 408(d)(2), 68 Stat. 512 (21 U.S.C. 346a(d)(2)))

Dated: January 5, 1988.

**Douglas D. Campt,**  
Director, Office of Pesticide Programs.

Therefore, 40 CFR Part 180 is amended as follows:

#### PART 180—[AMENDED]

1. The authority citation continues to read as follows:

Authority: 21 U.S.C. 346a.

2. New § 180.436 is added, to read as follows:

#### § 180.436 Cyfluthrin; tolerances for residues.

Tolerances are established for the combined residues of the insecticide cyfluthrin (cyano(4-fluoro-3-phenoxyphenyl)methyl 3-(2,2-dichloroethenyl)-2,2-dimethylcyclopropanecarboxylate) in or on the following raw agricultural commodities:

Commodities	Parts per million
Cattle, fat.....	0.05
Cattle, meat.....	.05
Cattle, mby.....	.05
Cottonseed.....	1.0
Goats, fat.....	0.05
Goats, meat.....	.05
Goats, mby.....	.05
Hogs, fat.....	.05
Hogs, meat.....	.05
Hogs, mby.....	.05
Horses, fat.....	.05
Horses, meat.....	.05
Horses, mby.....	.05
Milk.....	.01
Sheep, fat.....	.05
Sheep, meat.....	.05
Sheep, mby.....	.05

[FR Doc. 88-1382 Filed 1-22-88; 8:45 am]

BILLING CODE 6560-50-M

#### DEPARTMENT OF DEFENSE

##### 48 CFR Part 208

#### Department of Defense, Federal Acquisition Regulation Supplement; Acquisition From Sources Other Than the Central Supply System

**AGENCY:** Department of Defense (DoD).

#### ACTION: Final Rule.

**SUMMARY:** The Defense Acquisition Regulatory Council has approved revisions to section 208.470-2 and section 208.7100 of the Defense Federal Acquisition Regulation Supplement (DFARS) to allow greater flexibility to use sources other than the central supply system when such action is judged to be in the best interest of the Government in terms of the combination of quality, timeliness, and cost that best satisfies the requirement. This change increases the ability of buying activities to take advantage of local market conditions, as well as emphasize value rather than just cost in making purchases.

**EFFECTIVE DATE:** February 1, 1988.

**FOR FURTHER INFORMATION CONTACT:** Mr. Tom Carter, ODASD(L)SD-DSIO, Room 3B740, The Pentagon, Washington, DC 20301-8000, telephone (202) 695-8357.

#### SUPPLEMENTARY INFORMATION:

##### A. Background

This rule revises DFARS to provide increased flexibility to use sources other than the central supply system (DLA, GSA, and the Military Departments) when such action is judged to be in the best interest of the Government. This increased flexibility will implement DoD Directive 4001.1, which provides that, with few exceptions, installation commanders should be allowed to purchase from sources offering the combination of quality, timeliness, and cost that best meets the requirement.

The revisions also implement key recommendations of the Packard Commission dealing with the need to consider value instead of just price, and the need to give greater authority to DoD acquisition personnel. In addition, the revisions include safeguards that will meet other important acquisition system goals, such as the maintenance of an effective mobilization and wartime capability and proper file documentation so that prospective quality, timeliness, or cost deficiencies of the central supply system may be identified and corrected.

Publicizing is not required as the rule will not have a significant cost or administrative impact on the public since it affects only the internal operating procedures of the Department of Defense.

##### B. Regulatory Flexibility Act

Since publicizing is not required, the provisions of the Regulatory Flexibility Act do not apply.

#### C. Paperwork Reduction Act

This rule does not impose information collection requirements within the meaning of the Paperwork Reduction Act, 44 U.S.C. 3501, *et seq.*, and OMB approval of this final rule is not required pursuant to 5 CFR Part 1320 *et seq.*

#### List of Subjects in 48 CFR Part 208

Government procurement.

**Charles W. Lloyd,**

Executive Secretary, Defense Acquisition, Regulatory Council.

#### Adoption of Amendments

Therefore, the DoD FAR Supplement is amended as set forth below.

#### PART 208—REQUIRED SOURCES OF SUPPLIES AND SERVICES

1. The authority for 48 CFR Part 208 continues to read as follows:

Authority: 5 U.S.C. 301, 10 U.S.C. 2202, DoD Directive 5000.35, and DoD FAR Supplement 201.301.

2. Section 208.470-2 is revised to read as follows:

##### 208.470-2 Acquisition From General Services Administration Stock.

Items available from the stock system of the General Services Administration which are in Federal Supply Classes (FSCs) assigned to GSA for management should be acquired in accordance with the requirements of Subpart 208.71. DoD policy regarding use of GSA stock items in classes other than those assigned to GSA for management is that maximum use of such items should be made *except* in cases where requirements are met by items managed by DLA or the Military Departments. In addition, other sources may be used, provided:

(a) Such action is judged to be in the best interest of the Government in terms of the combination of quality, timeliness, and cost that best meets the requirement;

(b) For purchases exceeding \$100 per line item, a statement of the specific advantage or advantages of the locally purchased item is included in the purchase file;

(c) For purchases exceeding \$1,000 per line item, the statement of the specific advantage or advantages of the locally purchased item is reviewed and approved one level above the contracting officer;

(d) For purchases exceeding \$5,000 per line item, a waiver request is forwarded to and approved by GSA prior to initiation of the purchase action.

3. Section 208.7100-1 is revised to read as follows: