

taxpayer applies the paragraph reasonably and consistently.

(ii) *Identification.* In the case of a transaction entered into before October 1, 1994, an identification is deemed to satisfy paragraph (e) of this section if it satisfies § 1.1221-2T(c) (26 CFR part 1 revised as of April 1, 1994). For this purpose, identification of the hedged item is timely if it is made within the period specified in paragraph (e)(2)(ii) of this section.

(3) *Transition rules for hedges of certain property—(i) Transition rule for section 1231 assets.* For all taxable years that ended prior to July 18, 1994 and that, as of September 1, 1994, were still open for assessment under section 6501, a taxpayer may treat as hedging transactions all transactions that were entered into during those years and that hedge property used in the trade or business within the meaning of section 1231(b) (a section 1231 asset) if the taxpayer can establish that, during those years—

(A) Sales of section 1231 assets did not give rise to net gain treated as capital gain (after application of section 1231(c));

(B) All of the hedges of section 1231 assets would be hedging transactions under paragraph (b) of this section if section 1231 assets were ordinary property; and

(C) On original or amended returns, the taxpayer consistently treats all of the hedges of section 1231 assets as hedging transactions.

(ii) *Transition rule for noninventory supplies.* For all taxable years that ended prior to July 18, 1994 and that, as of September 1, 1994, were still open for assessment under section 6501, a taxpayer may treat as hedging transactions all hedges of purchases of noninventory supplies (as defined in paragraph (c)(5)(ii) of this section) that would not otherwise qualify as hedging transactions and that were entered into during those years if the taxpayer can establish that, during those years—

(A) The taxpayer did not sell in any of those years more than 15 percent of the greater of the total amount of the supply held at the beginning of the year or the total amount of the supply acquired during that year;

(B) All of the hedges would be hedging transactions under paragraph (b) of this section if noninventory supplies were ordinary property; and

(C) On original or amended returns, the taxpayer consistently treats all of the hedges of noninventory supplies as hedging transactions.

(4) *Effective date for hedges by members of a consolidated group.* [Reserved].

§ 1.1221-2T [Removed]

Par. 4. Effective October 1, 1994, § 1.1221-2T is effectively removed.

Par. 5. Effective July 18, 1994 § 1.1233-2T is redesignated § 1.1233-2 and is revised to read as follows:

§ 1.1233-2 Hedging transactions.

The character of gain or loss on a short sale that is (or is identified as being) part of a hedging transaction is determined under the rules of § 1.1221-2.

Par. 6. Effective July 18, 1994 § 1.1234-4T is redesignated § 1.1234-4 and is revised to read as follows:

§ 1.1234-4 Hedging transactions.

The character of gain or loss on an acquired or a written option that is (or is identified as being) part of a hedging transaction is determined under the rules of § 1.1221-2.

Par. 7. Effective July 18, 1994 § 1.1256(e)-1 is added to read as follows:

§ 1.1256(e)-1 Identification of hedging transactions.

(a) *Identification and recordkeeping requirements.* Under section 1256(e)(2)(C), a taxpayer that enters into a hedging transaction must identify the transaction as a hedging transaction before the close of the day on which the taxpayer enters into the transaction.

(b) *Requirements for identification.* The identification of a hedging transaction for purposes of section 1256(e)(2)(C) must satisfy the requirements of § 1.1221-2(e)(1). Solely for purposes of section 1256(f)(1), however, an identification that does not satisfy all of the requirements of § 1.1221-2(e)(1) is nevertheless treated as an identification under section 1256(e)(2)(C).

(c) *Consistency with § 1.1221-2.* Any identification for purposes of § 1.1221-2(e)(1) is also an identification for purposes of this section. If a taxpayer satisfies the requirements of paragraph (f)(1)(ii) of § 1.1221-2, the transaction is treated as if it were not identified as a hedging transaction for purposes of section 1256(e)(2)(C).

(d) *Effective date.* This section applies to transactions entered into on or after October 1, 1994.

PART 602—OMB CONTROL NUMBERS UNDER THE PAPERWORK REDUCTION ACT

Par. 8. The authority citation for part 602 continues to read as follows:

Authority: 26 U.S.C. 7805.

Par. 9. Effective July 18, 1994 § 602.101(c) is amended by adding an

entry in numerical order to the table to read as follows:

§ 602.101 OMB Control numbers.

CFR part or section where identified and described	Current OMB control number
1.1221-2	1545-1403

Par. 10. Effective October 1, 1994, in § 602.101(c), the entry for § 1.1221-2T(c) is removed.

Margaret Milner Richardson,
Commissioner of Internal Revenue.

Approved: June 3, 1994.

Samuel Y. Sessions,
Acting Assistant Secretary of the Treasury.
[FR Doc. 94-16867 Filed 7-13-94; 9:10 am]
BILLING CODE 4830-01-U

DEPARTMENT OF DEFENSE

Office of the Secretary

32 CFR Parts 90 and 91

Revitalizing Base Closure Communities and Community Assistance

AGENCY: Office of the Secretary of Defense, DoD.

ACTION: Interim final rule; notice of public hearing procedures.

SUMMARY: The Department of Defense published in the *Federal Register* on July 12, 1994 (59 FR 35463), plans to hold a public hearing to receive comments on the interim final rule regarding Revitalizing Base Closure Communities published in the *Federal Register* on April 6, 1994 (59 FR 16123). Individuals wishing to present oral testimony are requested to adhere to the following procedures. Due to time limitations, it is expected that approximately 30 will have the opportunity to testify. As a result, interested individuals are asked to call Ms. Jennifer Nuber Atkin on 703-697-5743 to reserve a time slot. All telephone reservations will be taken on a first come, first served basis with each slot consisting of five minutes. Only 20 reservations will be taken over the phone, the remaining time slots (approximately 10) will be assigned on the day of the hearing on a first come, first served basis beginning at 9 a.m. DoD will also be accepting written

statements at the hearing for those unable to present oral testimony.

DATES: Friday, August 5, 1994, 9:30 a.m. to 12:30 p.m.

ADDRESSES: General Services Administration Headquarters Auditorium, 18th and F Streets NW., Washington, DC.

FOR FURTHER INFORMATION CONTACT: Jennifer Nuber Atkin, telephone 703-697-5743.

Dated: July 12, 1994.

Patricia L. Toppings,
Alternate OSD Federal Register Liaison
Officer, Department of Defense.
[FR Doc. 94-17038 Filed 7-15-94; 8:45 am]
BILLING CODE 5000-04-M

DEPARTMENT OF EDUCATION

34 CFR Part 668

RIN 1840-AC09

Student Assistance General Provisions

AGENCY: Department of Education.

ACTION: Final regulations; compliance with information collection requirements.

SUMMARY: On April 29, 1994, the Secretary of Education published in the *Federal Register* interim final regulations with an invitation for comment for the Student Assistance General Provisions (59 FR 22278). A notice of revised effective date was published for this document on June 30, 1994 (59 FR 33681). This document notifies affected parties that the Office of Management and Budget (OMB) has approved the information collection requirements in § 668.17(f) and (h) and notifies the public of the date for initiating an appeal under § 668.17(f)(3)(x).

EFFECTIVE DATE: July 18, 1994.

FOR FURTHER INFORMATION CONTACT: Pamela A. Moran, Acting Chief, Loans Branch, Division of Policy Development, Policy, Training, and Analysis Service, U.S. Department of Education, 400 Maryland Avenue, SW. (room 4310, ROB-3), Washington, DC 20202-5449. Telephone (202) 708-8242. Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1-800-877-8339 between 8 a.m. and 8 p.m., Eastern time, Monday through Friday.

SUPPLEMENTARY INFORMATION: The final regulations published on April 29, 1994 included certain information collection requirements subject to approval by OMB under the Paperwork Reduction

Act of 1990, as amended. On June 23, 1994, OMB approved these information collection requirements, and affected parties must now comply with these requirements. An OMB control number for § 668.17 was published on July 7, 1994, reflecting this approval.

Under § 668.17(f)(3)(x), an institution has 10 days from the effective date of the regulations to initiate an appeal with the guaranty agency of cohort default rates issued by the Secretary for Federal fiscal years 1989 to 1991. For purposes of filing an appeal for these years, the 10-day period starts with the date this document is published in the *Federal Register*.

(Catalog of Federal Domestic Assistance Number: 84-032 Federal Family Education Loan Program)

Dated: July 13, 1994.

David A. Longanecker,
Assistant Secretary for Postsecondary
Education.

[FR Doc. 94-17362 Filed 7-15-94; 8:45 am]
BILLING CODE 4000-01-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 86

[AMS-FRL-5011-7]

Extension of Interim Revised Durability Procedures for Light-Duty Vehicles and Light-Duty Trucks

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: On January 12, 1993, EPA published a final rule establishing interim durability procedures used for demonstrating compliance with emission standards for light-duty vehicles and light-duty trucks, applicable to model years 1994-1996 only. This direct final rule extends the applicability of those durability procedures by two years to model year 1998. The Agency intends to conduct a rulemaking to implement a long-term durability program; however, EPA believes this subsequent regulatory action will not be promulgated soon enough to provide manufacturers with adequate lead time to revise their model year 1998 durability programs in a cost-effective manner. A direct final rule is appropriate because this action resolves the lead time concerns for model year 1998 and adds no new requirements, but rather simply allows the extension of the interim program by two years.

DATES: This action will be effective September 16, 1994 unless notice is

received by August 17, 1994 that adverse or critical comments will be submitted, or that an opportunity to submit such comments at a public hearing is requested. If adverse comments are received, the Agency will publish a document in the *Federal Register* withdrawing the rule before the effective date.

ADDRESSES: Interested parties may submit written comments (in duplicate, if possible) to Public Docket No. A-93-46, at: Air Docket Section, U.S. Environmental Protection Agency, 401 M Street SW., Washington, DC 20460.

Materials relevant to this final rule have been placed in Docket No. A-93-46. The docket is located at the above address in room M-1500, Waterside Mall, and may be inspected weekdays between 8:30 a.m. and noon, and between 1:30 p.m. and 3:30 p.m. A reasonable fee may be charged by EPA for copying docket materials.

FOR FURTHER INFORMATION CONTACT: James A. McCargar, Certification Division, U.S. Environmental Protection Agency, National Vehicle and Fuel Emissions Laboratory, 2565 Plymouth Road, Ann Arbor, MI 48105. Telephone (313) 668-4244.

SUPPLEMENTARY INFORMATION:

I. Background

On January 12, 1993, the Agency published interim procedures for motor vehicle manufacturers to use in demonstrating compliance with emission standards for light-duty vehicles and light-duty trucks (57 FR 3994). That rule, referred to as the "RDP-I rule," made the interim procedures applicable to model years 1994 through 1996, but not thereafter. The Agency plans to revise the RDP-I interim procedures through rulemaking addressing further improvements to the durability process that could not be addressed in the interim rulemaking due to the time constraints for finalizing guidance for Tier 1 vehicle emission certifications. That subsequent rulemaking has been referred to as the "RDP-II rule."

The Agency initially planned that the final RDP-II regulatory action would be effective in the 1997 model year. However, that has become impractical due to lead time constraints for manufacturers wishing to certify vehicles in that model year and the uncertainty that sufficient lead time exists for implementation in the 1998 model year as well. Consequently, the aim of this action is to simply extend the applicability of the RDP-I interim rulemaking through model year 1998. This will provide manufacturers with

timely notice of the regulations applicable for certifying vehicles through model year 1998 while EPA continues work on preparing and finalizing further technical and procedural improvements to the durability program. The Agency currently expects that the RDP-II rule will be applicable in the 1999 model year.

II. Environmental Effects and Economic Impacts

A. Economic Impacts

This action only extends an existing program without modification, and as such, the Agency does not expect any new economic impacts over and above those described in the interim rulemaking. In general, the RDP-I interim rulemaking projected annual cost savings with respect to the previously existing program of approximately \$8.6 million, and although this number is highly dependent upon the interaction of several variables, all modeled scenarios resulted in some level of savings. A complete description of those impacts is contained in 57 FR 3994 (January 12, 1993).

B. Environmental and Cost-Benefit Impacts

The interim rulemaking revised testing and administrative procedures necessary to determine the compliance of light-duty vehicles and light-duty trucks with the Tier 1 emission standards promulgated in June 1991, and no environmental benefit was claimed over and above that already accounted for in the Tier 1 rule. This two model year extension will similarly claim no environmental benefit. A detailed discussion of the Tier 1 environmental impacts can be found in 56 FR 25734 (June 5, 1991).

III. Public Participation and Effective Date

The Agency is publishing this action as a direct final rule because it views it as non-controversial and anticipates no adverse comments. This action will be effective in 60 days from the date of publication of this *Federal Register* notice unless the Agency receives notice within 30 days of this publication that adverse or critical comments will be submitted, or that a party requests the opportunity to submit such oral comments pursuant to section 307(d)(5) of the Clean Air Act, as amended.

If such notice is received, this action will be withdrawn before the effective date by publishing two subsequent documents. One document will

withdraw this final rule and another will begin a new rulemaking by announcing a proposal of the rule and establishing a comment period.

IV. Statutory Authority

Authority for the actions promulgated in this final rule is granted to EPA by sections 202, 203, 205, 206, 207, 208, 215, 216, 217, and 301(a), of the Clean Air Act, as amended (42 U.S.C. 7521, 7522, 7524, 7525, 7541, 7542, 7549, 7550, 7552, and 7601(a), and 5 U.S.C. 553(b)).

V. Administrative Designation

Under Executive Order 12866, the Agency must determine whether the regulatory action is "significant" and, therefore, subject to OMB review and the requirements of the Executive Order. The order defines a "significant regulatory action" as one that is likely to result in a rule that may:

- (1) Have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities;
- (2) Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;
- (3) Materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or
- (4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in the Executive Order.

It has been determined that this rule is not a "significant regulatory action" under the terms of Executive Order 12866 and is therefore not subject to OMB review.

VI. Regulatory Flexibility Act

The Regulatory Flexibility Act of 1990 requires federal agencies to identify potentially adverse impacts of federal regulations upon small entities. In instances where significant impacts are possible on a substantial number of these entities, agencies are required to perform a Regulatory Flexibility Analysis.

The Agency has determined that this action will not have an adverse impact on small entities. Moreover, this regulation does not create any new regulatory requirements.

Therefore, under section 605 of the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, I certify that this regulation does not have a significant impact on a substantial number of small entities.

VII. Reporting and Recordkeeping Requirements

Under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*, EPA must obtain Office of Management and Budget clearance for any activity that will involve collecting substantially the same information from ten or more non-Federal respondents. On December 1, 1992, OMB approved collection of information required in 40 CFR 86.094-26 under ICR control no. 2060-0104. This regulation does not impose any new information collection requirements and will result in no change in the reporting burden.

List of Subjects in 40 CFR Part 86

Environmental protection, Administrative practice and procedure, Air pollution control, Gasoline, Motor vehicles, Motor vehicle pollution, Reporting and recordkeeping requirements.

Dated: June 30, 1994.

Carol M. Browner,
Administrator.

For the reasons set forth in the preamble, part 86 of chapter I, title 40 of the Code of Federal Regulations is amended as follows:

PART 86—CONTROL OF AIR POLLUTION FROM NEW AND IN-USE MOTOR VEHICLES AND NEW AND IN-USE MOTOR VEHICLE ENGINES: CERTIFICATION AND TEST PROCEDURES

1. The authority citation for part 86 continues to read as follows:

Authority: Secs. 202, 203, 205, 206, 207, 208, 215, 216, 217, and 301(a), of the Clean Air Act, as amended (42 U.S.C. 7521, 7522, 7524, 7525, 7541, 7542, 7549, 7550, 7552, and 7601(a)).

§ 86.094-13 [Amended]

2. In § 86.094-13, paragraphs (a)(1), (c)(1), (d)(1), (e)(1), and (f)(1) are amended by revising the words "1994, 1995, and 1996" to read "1994 through 1998".

§ 86.094-26 [Amended]

3. In § 86.094-26, paragraphs (a)(2), (b)(2)(i), and (b)(2)(ii) are amended by revising the words "1994, 1995, and 1996" to read "1994 through 1998".

[FR Doc. 94-17003 Filed 7-15-94; 8:45 am]

BILLING CODE 6580-50-P