

Flexibility Act. A copy of the draft regulatory evaluation prepared for this action is contained in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption "ADDRESSES."

#### List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

#### The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

#### PART 39—AIRWORTHINESS DIRECTIVES

1. The authority citation for part 39 continues to read as follows:

**Authority:** 49 U.S.C. 106(g), 40113, 44701.

#### § 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

**AlliedSignal Inc.:** Docket No. 97-ANE-47-AD.

**Applicability:** AlliedSignal Inc. (formerly Allied-Signal Aerospace Company, Garrett Engine Division and Garrett Turbine Engine Co.) Model TPE331-8, -10, -11 and -12 series turboprop engines with fuel manifold, Part Number (P/N) 3102469-1 or -2, repaired by Hoses Unlimited, Inc. prior to November 20, 1995. These engines are installed on but not limited to Ayres S2R-G10; Cessna Model 441; Construcciones Aeronauticas, S.A. (CASA) C-212 series; Dornier 228 series; Fairchild SA226 and SA227 series; Jetstream 3101 and 3201 series; Mitsubishi MU-2B series (MU-2 series); and Twin Commander Aircraft Corp. Models 695 and 695A aircraft.

**Note 1:** This airworthiness directive (AD) applies to each aircraft identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For engines that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must request approval for an alternative method of compliance in accordance with paragraph (d) of this AD. The request should include an assessment of the effect of the modification, alteration, or repair on the unsafe condition addressed by this AD; and, if the unsafe condition has not been eliminated, the request should include specific proposed actions to address it.

**Compliance:** Required as indicated, unless accomplished previously.

To prevent fuel leakage of the fuel manifold, resulting in fuel spraying on hot turbine components, which could result in an engine fire, accomplish the following:

(a) Check all fuel manifold identification bands for P/Ns 3102469-1 or -2 and the Hoses Unlimited, Inc. name, or review engine and aircraft maintenance records and purchase receipts to establish the origin and repairs on all fuel manifolds. If records indicate that fuel manifolds, P/Ns 3102469-1 or -2, are not installed in an engine or that Hoses Unlimited, Inc. has not been used as a repair facility, no further AD action is required.

(b) Remove from service all fuel manifolds with the Hoses Unlimited, Inc. name and P/Ns 3102469-1 or -2 and replace with a serviceable fuel manifold in accordance with the applicable AlliedSignal engine maintenance manual, at first access to the fuel manifold assembly, at the next engine hot section inspection, or 3 years after the effective date of this AD, whichever occurs first.

(c) For the purposes of this AD, first access to the fuel manifold is defined as any repair, modification, removal, or testing of the fuel manifold assembly or components of the fuel manifold assembly.

(d) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Los Angeles Aircraft Certification Office. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Los Angeles Aircraft Certification Office.

**Note 2:** Information concerning the existence of approved alternative methods of compliance with this airworthiness directive, if any, may be obtained from the Los Angeles Aircraft Certification Office.

(e) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the aircraft to a location where the requirements of this AD can be accomplished.

Issued in Burlington, Massachusetts, on January 7, 1998.

**James C. Jones,**

*Assistant Manager, Engine and Propeller Directorate, Aircraft Certification Service.*

[FR Doc. 98-1325 Filed 1-20-98; 8:45 am]

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#### DEPARTMENT OF THE TREASURY

#### Internal Revenue Service

#### 26 CFR Part 1

[REG-114000-97]

RIN 1545-AV41

#### Withholding on Interest in the Case of Sales of Obligations Between Interest Payment Dates; Hearing Cancellation

**AGENCY:** Internal Revenue Service, Treasury.

**ACTION:** Cancellation of notice of public hearing on proposed regulations.

**SUMMARY:** This document provides notice of cancellation of a public hearing on proposed regulations under section 1441 regarding the obligation to withhold on interest paid with respect to obligations in the case of the sale of obligations between interest payment dates.

**DATES:** The public hearing originally scheduled for Monday, January 26, 1998, beginning at 10:00 a.m. is canceled.

**FOR FURTHER INFORMATION CONTACT:** Mike Slaughter of the Regulations Unit, Assistant Chief Counsel (Corporate), (202) 622-7190, (not a toll-free number).

**SUPPLEMENTARY INFORMATION:** The subject of the public hearing is proposed regulations under section 1441 of the Internal Revenue Code. A notice of proposed rulemaking and notice of public hearing appearing in the **Federal Register** on Tuesday, October 14, 1997 (62 FR 53503), announced that the public hearing on proposed regulations under section 1441 of the Internal Revenue Code would be held on Monday, January 26, 1998, beginning at 10:00 a.m., in the Commissioner's Conference Room, Room 3313, Internal Revenue Building, 1111 Constitution Avenue, NW., Washington, DC.

The public hearing scheduled for Monday, January 26, 1998, is canceled.

**Cynthia E. Grigsby,**

*Chief, Regulations Unit, Assistant Chief Counsel (Corporate).*

[FR Doc. 98-1403 Filed 1-20-98; 8:45 am]

BILLING CODE 4830-01-U

#### ENVIRONMENTAL PROTECTION AGENCY

#### 40 CFR Parts 180, 185, and 186

[OPP-300551; FRL-5743-8]

#### Revocation of Tolerances and Exemptions From the Requirement of a Tolerance for Canceled Pesticide Active Ingredients

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

**ACTION:** Proposed rule.

**SUMMARY:** This document proposes to revoke the tolerances and exemptions from the requirement of a tolerance listed in this document. EPA is proposing to revoke these tolerances and exemptions because there are no active registrations for the pesticide chemicals covered by these tolerances and exemptions.

**DATES:** Written comments should be submitted to EPA by March 23, 1998.

**ADDRESSES:** By mail, submit written comments to the Public Information and Records Integrity Branch, Information Resources and Services Division (7506C), Office of Pesticide Programs, 401 M St., SW., Washington, DC 20460. In person, deliver comments to Rm. 1132, Crystal Mall #2, 1921 Jefferson Davis Highway, Arlington, VA.

Comments and data may also be submitted electronically by following the instructions under Unit V. of this document. No Confidential Business Information (CBI) should be submitted through e-mail.

**FOR FURTHER INFORMATION CONTACT:** By mail: Jeff Morris, Special Review and Reregistration Division (7508W), Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. Office location, telephone number, and e-mail address: Special Review Branch, Crystal Station #1, 3rd floor, 2800 Crystal Drive, Arlington, VA, Telephone: (703) 308-8029; e-mail: morris.jeffrey@epamail.epa.gov.

**SUPPLEMENTARY INFORMATION:**

**I. Legal Authority**

The Federal Food, Drug, and Cosmetic Act (FFDCA), 21 U.S.C. 301 *et seq.*, as amended by the Food Quality Protection Act of 1996 (FQPA), Pub. L. 104-170, authorizes the establishment of tolerances (maximum residue levels), exemptions from the requirement of a tolerance, modifications in tolerances, and revocation of tolerances for residues of pesticide chemicals in or on raw agricultural commodities and processed foods pursuant to section 408, 21 U.S.C. 346(a), as amended. Without a tolerance or exemption, food containing pesticide residues is considered to be unsafe and therefore "adulterated" under section 402(a) of the FFDCA, and hence may not legally be moved in interstate commerce (21 U.S.C. 331(a) and 342(a)). For a pesticide to be sold and distributed, the pesticide must not only have appropriate tolerances or exemptions under the FFDCA, but also must be registered under section 3 of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), 7 U.S.C. 136a.

Under FFDCA section 408(f), if EPA determines that additional data are needed to support continuation of a tolerance, EPA may require that those data be submitted by registrants under FIFRA section 3(c)(2)(B), by producers under the Toxic Substances Control Act (TSCA) section 4, or by other persons by order after opportunity for hearing. EPA intends to use Data Call-In (DCI) procedures for pesticide registrants, and FFDCA section 408(f)(1)(C) orders for non-registrants as its primary means of

obtaining data. In general, EPA does not intend to use the procedures under TSCA section 4, because such procedures generally will not be applicable to pesticides.

Section 408(f) of the FFDCA states that if EPA determines that additional data are needed to support the continuation of an existing tolerance or exemption, EPA shall issue a notice that: (1) Requests that any parties identify their interest in supporting the tolerance or exemption, (2) solicits the submission of data and information from interested parties, (3) describes the data and information needed to retain the tolerance or exemption, (4) outlines how EPA will respond to the submission of supporting data, and (5) provides time frames and deadlines for the submission of such data and information.

**II. Regulatory Background**

It is EPA's general practice to propose revocation of tolerances for residues of pesticide active ingredients for which FIFRA registrations no longer exist. In accord with FFDCA section 408, however, EPA will not revoke any tolerance or exemption proposed for revocation if any person will commit to support its retention, and if retention of the tolerance will meet the tolerance standard established under FQPA. Generally, interested parties commit to support the retention of such tolerances in order to permit treated commodities to be legally imported into the United States, since raw or processed food or feed commodities containing pesticide residues not covered by a tolerance or exemption are considered to be adulterated.

Tolerances and exemptions established for pesticide chemicals with FIFRA registrations cover residues in or on both domestic and imported commodities. To retain these tolerances and exemptions for import purposes only, EPA must make a finding that the tolerances and exemptions are safe. To make this safety finding, EPA needs data and information indicating that there is a reasonable certainty that no harm will result from aggregate exposure to the pesticide residues covered by the tolerances and exemptions.

EPA determines on a case-by-case basis the data required to determine that a tolerance or exemption is safe, and in general requires the same technical chemistry and toxicology data for tolerances without related U.S. registrations as are required to support U.S. food-use registrations and any resulting tolerances or exemptions. (See 40 CFR part 158 for EPA's data

requirements to support domestic use of a pesticide and the establishment and maintenance of a tolerance. At a future date, EPA will issue its import tolerance policy.) In most cases, EPA also requires residue chemistry data (crop field trials) that are representative of growing conditions in exporting countries in the same manner that EPA requires representative residue chemistry data from different U.S. regions to support domestic use of a pesticide and any resulting tolerance(s) or exemption(s). Good Laboratory Practice (GLP) requirements for studies submitted in support of tolerances and exemptions for import purposes only are the same as for domestic purposes; i.e., the studies are required to either fully meet GLP standards, or have sufficient justification presented to show that deviations from GLP requirements do not significantly affect the results of the studies.

Monitoring and enforcement of pesticide tolerances and exemptions are carried out by the U.S. Food and Drug Administration (FDA) and the U.S. Department of Agriculture (USDA). This includes monitoring for pesticide residues in or on commodities imported into the United States.

**III. Proposed Actions**

This document proposes to revoke the tolerances and exemptions from the requirement of a tolerance listed at the regulatory text of this document. EPA is proposing these revocations because EPA has cancelled the registrations for the pesticide chemicals associated with the tolerances and exemptions, and it is EPA's general practice to propose revocation of those tolerances and exemptions for residues of pesticide chemicals for which there are no active registrations.

**IV. Effective Date**

EPA proposes that these actions become effective 30 days following publication in the **Federal Register** of a final rule revoking the tolerances. EPA is proposing this effective date because EPA believes that all existing stocks of pesticide products labeled for the uses associated with the tolerances proposed for revocation were exhausted more than 1 year ago, giving ample time for any treated fresh produce to clear trade channels.

Any commodities listed in the regulatory text of this document that are treated with the pesticides subject to this proposal, and that are in the channels of trade following the tolerance revocations, shall be subject to FFDCA section 408(1)(5), as established by FQPA. Under this section, any

residue of these pesticides in or on such food shall not render the food adulterated so long as it is shown to the satisfaction of FDA that: (1) The residue is present as the result of an application or use of the pesticide at a time and in a manner that was lawful under FIFRA, and (2) the residue does not exceed the level that was authorized at the time of the application or use to be present on the food under a tolerance or exemption from a tolerance. Evidence to show that food was lawfully treated may include records that verify the dates that the pesticide was applied to such food.

#### V. Public Comment Procedures

EPA invites interested persons to submit written comments, information, or data in response to this proposed rule. After consideration of comments, EPA will issue a final rule. Such rule will be subject to objections. Failure to file an objection within the appointed period will constitute waiver of the right to raise in future proceedings issues resolved in the final rule.

Comments must be submitted by March 23, 1998. Comments must bear a notation indicating the docket number OPP-300551. Three copies of the comments should be submitted to either location listed under "ADDRESSES" at the beginning of this proposal.

This proposal provides 60 days for any interested person to request that a tolerance be retained. If EPA receives a comment to that effect, EPA will not revoke the tolerance, but will take steps to ensure the submission of supporting data and will issue an order in the **Federal Register** under FFDCA section 408(f). The order would specify the data needed, the time frames for its submission, and would require that within 90 days some person or persons notify EPA that they will submit the data. Thereafter, if the data are not submitted as required, EPA will take appropriate action under FIFRA or FFDCA.

Information submitted as a comment concerning this proposal may be claimed confidential by marking any or all of that information as CBI. EPA will not disclose information so marked, except in accordance with procedures set forth in 40 CFR part 2. A second copy of such comments, with the CBI deleted, also must be submitted for inclusion in the public record. EPA may publicly disclose without prior notice information not marked confidential. A record has been established for this proposal under docket number OPP-300551 (including comments and data submitted electronically as described below). A public version of this record, including printed, paper versions of

electronic comments, which does not include any information claimed as CBI, is available for inspection from 8:30 a.m. to 4 p.m., Monday through Friday, excluding legal holidays. The public record is located in room 1132 of the Public Information and Records Integrity Branch, Information Resources and Services Division (7506C), Office of Pesticide Programs, Environmental Protection Agency, Crystal Mall #2, 1921 Jefferson Davis Highway, Arlington, VA.

Electronic comments can be sent directly to EPA at:

opp-docket@epamail.epa.gov.

Electronic comments must be submitted as an ASCII file avoiding the use of special characters and any form of encryption.

The official record for this proposal, as well as the public version, as described above will be kept in paper form. Accordingly, EPA will transfer all comments received electronically into printed, paper form as they are received and will place the paper copies in the official record, which will also include all comments submitted directly in writing. The official rulemaking record is the paper record maintained at the address in "ADDRESSES" at the beginning of this proposal.

#### VI. Regulatory Assessment Requirements

##### A. Executive Order 12866

Under Executive Order 12866 (58 FR 51735, October 4, 1993), EPA must determine whether the regulatory action is "significant" and therefore subject to review by the Office of Management and Budget (OMB) and the requirements of the Executive Order. Under section 3(f), E.O. 12866 defines a "significant regulatory action" as an action that is likely to result in a rule: (1) Having an annual effect on the economy of \$100 million or more, or adversely and materially affecting a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or state, local, or tribal governments or communities; (2) creating serious inconsistency or otherwise interfering with an action taken or planned by another agency; (3) materially altering the budgetary impacts of entitlement, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or (4) raising novel legal or policy issues arising out of legal mandates, the President's priorities, or principles set forth in this Executive Order.

Pursuant to the terms of E.O. 12866, EPA has determined that this proposed rule is not a significant regulatory action

and, since this action does not impose any information collection requirements subject to approval under the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), it is not subject to review by OMB. In addition, this action does not impose any enforceable duty, or contain any "unfunded mandates" as described in Title II of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104-4), or require prior consultation as specified by Executive Order 12875 (58 FR 58093, October 28, 1993), entitled Enhancing the Intergovernmental Partnership, or special considerations as required by Executive Order 12898 (59 FR 7629, February 16, 1994).

##### B. Regulatory Flexibility

The Regulatory Flexibility Act (RFA) generally requires an agency to conduct a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and small governmental jurisdictions. EPA believes that revocation of a tolerance after use of the pesticide becomes illegal in this country will generally not have a significant impact on a substantial number of small entities.

In the case of domestically grown food, the tolerances proposed for revocation by this proposal will have no economic impact. The associated pesticide registered uses have already been canceled. Since U.S. growers may no longer use these pesticides on such crops, revoking the tolerances should have no effect on food grown in the U.S. after cancellation of registered uses. As for food legally treated under FIFRA before the cancellation occurred, it will not be considered adulterated if the residue level complies with the tolerance in effect at the time of treatment.

Revocation has a greater potential to affect foreign-grown food, since the uses of a pesticide prohibited in the U.S. may still be lawful in other countries. If foreign growers use a pesticide on crops for which there is no tolerance, the food they grow will be considered adulterated and subject to detention and regulatory action when offered for import or imported into the United States. However, while revocation may have an economic effect on foreign growers that export food to the U.S., the RFA is concerned only with the effect of U.S. regulations on domestic small entities.

Revocation may also have an effect on domestic importers of foreign-grown

food to the extent their suppliers use pesticides in ways that result in residues no longer allowed in the U.S. Theoretically, U.S. importers could face higher food prices and transactions costs. However, EPA believes that the effect on U.S. importers will be minimal. The revocation of a particular tolerance is unlikely to have a significant impact on the price of a commodity on the international market. Transaction costs may occur as a result of having to find alternative suppliers of food untreated with pesticides for which tolerances were revoked.

Affected importers, however, would have the options of finding other suppliers in the same country or in other countries, or inducing the same supplier to switch to alternative pest controls. Given the existence of these options, EPA expects any price increases or transaction costs resulting from revocations will be minor. As to the pesticide uses involved in this action, EPA has reviewed its available data on imports and foreign pesticide usage and concludes that there is a reasonable international supply of food not treated with these pesticides, generally within the same countries from which the relevant commodities are currently imported.

Moreover, whatever the effect on U.S. importers of foreign-grown food, EPA believes that it would be inappropriate and inconsistent with the purpose of the RFA to ameliorate that effect. To the extent any adverse effect occurs, it will be the result of foreign growers using pesticides in ways or on crops not allowed in the U.S. Domestic growers have no choice but to refrain from using pesticides in ways or on crops prohibited by U.S. law. U.S. growers and those who follow them in the chain of commerce distributors and consumers will bear the cost of complying with U.S. law. For EPA to somehow address the economic effect of the revocation on U.S. distributors of foreign-grown food would potentially give those distributors a competitive advantage over distributors of U.S.-grown food, and that advantage could potentially translate to a competitive advantage for foreign growers over domestic growers. The RFA was enacted in part to preserve competition in the marketplace, and it would be perverse to implement it in a way that creates competitive inequities, particularly between U.S. and foreign products. Finally, EPA notes that potential increased costs to importers would not be cognizable as grounds for not revoking the tolerances.

Based on the above analysis, I certify that this action will not have a significant economic impact on a substantial number of small entities.

#### List of Subjects

##### 40 CFR Part 180

Environmental protection, Administrative practice and procedure, Agricultural commodities, Pesticides and pests, Reporting and recordkeeping requirements.

##### 40 CFR Part 185

Environmental protection, Food additives, Pesticide and pests.

##### 40 CFR Part 186

Environmental protection, Animal feeds, Pesticide and pests.

Dated: January 12, 1998.

#### Lois Rossi,

Director, Special Review and Reregistration Division, Office of Pesticide Programs.

Therefore, it is proposed that 40 CFR parts 180, 185, and 186 be amended as follows:

#### PART 180—[AMENDED]

##### 1. In part 180:

a. The authority citation for part 180 continues to read as follows:

**Authority:** 21 U.S.C. 346a and 371.

b. In § 180.2, by revising paragraph (a) to read as follows:

##### § 180.2 Pesticide chemicals considered safe.

(a) As a general rule, pesticide chemicals other than benzaldehyde (when used as a bee repellent in the harvesting of honey), ferrous sulfate, lime, lime-sulfur, potassium sorbate, sodium carbonate, sodium chloride, sodium hypochlorite, sulfur, and when used as plant desiccants, sodium metasilicate (not to exceed 4 percent by weight in aqueous solution) and when used as postharvest fungicide, citric acid, fumaric acid, oil of lemon, and oil of orange are not for the purposes of section 408(a) of the Act generally recognized as safe.

\* \* \* \* \*

§§ 180.115, 180.118, 180.144, 180.148, 180.158, 180.159, 180.162, 180.171, 180.219, 180.239, 180.263, 180.277, 180.305, and 180.306 [Removed]

c. By removing §§ 180.115, 180.118, 180.144, 180.148, 180.158, 180.159, 180.162, 180.171, 180.219, 180.239, 180.263, 180.277, 180.305, and 180.306.

#### § 180.319 [Amended]

d. By removing from the table in § 180.319, the entire entry for Isopropyl carbanilate (IPC).

§§ 180.321, 180.325, 180.326, 180.347, 180.357, 180.374 [Removed]

e. By removing §§ 180.321, 180.325, 180.326, 180.347, 180.357, 180.374.

f. In § 180.1001, by revising paragraph (b)(1), removing paragraphs (b)(6) and (b)(9) and redesignating paragraphs (b)(7), (b)(8), and (b)(10) as (b)(6), (b)(7), and (b)(8), respectively and removing from the table in paragraph (d) the entry for Fumaric acid to read as follows:

#### § 180.1001 Exemptions from the requirement of a tolerance.

\* \* \* \* \*

(b) \* \* \*

(1) The following copper compounds: Bordeaux mixture, basic copper carbonate (malachite), copper hydroxide, copper-lime mixtures, copper oxychloride, copper octanoate, copper sulfate basic, copper sulfate pentahydrate, cupric oxide, cuprous oxide. These compounds are used primarily as fungicides.

\* \* \* \* \*

§§ 180.1010, 180.1018, 180.1030, 180.1031, 180.1034, 180.1055, 180.1059, 180.1061, 180.1067, 180.1079, 180.1081, and 180.1085 [Removed]

g. By removing § 180.1010, 180.1018, 180.1030, 180.1031, 180.1034, 180.1055, 180.1059, 180.1061, 180.1067, 180.1079, 180.1081, and 180.1085.

#### PART 185—[AMENDED]

##### 2. In part 185:

a. The authority citation for part 185 continues to read as follows:

**Authority:** 21 U.S.C. 348.

§§ 185.1350, 185.1650, 185.3600, 185.4250, 185.4300, and 185.4800 [Removed]

b. By removing §§ 185.1350, 185.1650, 185.3600, 185.4250, 185.4300, and 185.4800.

#### PART 186—[AMENDED]

##### 3. In part 186:

a. The authority citation for part 186 continues to read as follows:

**Authority:** 21 U.S.C. 348.

§§ 186.450, 186.850, 186.1350, 186.1650, 186.2450, and 186.3000 [Removed]

b. By removing §§ 186.450, 186.850, 186.1350, 186.1650, 186.2450, and 186.3000.

[FR Doc. 98-1356 Filed 1-20-98; 8:45 am]

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