published elsewhere in this issue of the Federal Register].

Par. 3. Section 1.6038B–1, as proposed on May 16, 1986, at 51 FR 17990, is amended by revising the second sentence of paragraph (b)(2)(i) and adding the text of paragraph (e) to read as follows:

§1.6038B-1 Reporting of transfers described in section 367.

[The text of proposed paragraphs (b)(2)(i) and (e) are the same as the text of § 1.6038B–1T (b)(2)(i) and (e) published elsewhere in this issue of the Federal Register].

Margaret Milner Richardson, Commissioner of Internal Revenue. [FR Doc. 96–20631 Filed 8–9–96; 12:19 pm] BILLING CODE 4830–01–U

POSTAL SERVICE

39 CFR Part 701

Postal Electronic Commerce Service

AGENCY: Postal Service. **ACTION:** Proposed rule electronic postmark test; request for comments.

SUMMARY: The United States Postal Service is developing "Postal Electronic Commerce Services" that will provide security and integrity to electronic correspondence and transactions, giving them attributes usually associated with First-Class Mail. As part of this effort, the United States Postal Service is testing a limited prototype of an Electronic Postmarking Service that will offer customers a third-party validation of the time and date that an electronic mail document was received by the Postal Service, and validate the existence of a document by ensuring that it was not changed after its handling by the Postal Service. The test is intended to be concluded within 60 days of its start, although it may be extended. To provide guidance for implementing the test, the Postal Service is proposing to add new regulations to title 39 of the Code of Federal Regulations.

DATES: Comments must be received on or before September 13, 1996.

ADDRESSES: Written comments should be directed to the Manager, Electronic Commerce Services, Room 5636, 475 L'Enfant Plaza, SW., Washington, DC 20260–2427. Copies of all written documents will be available at that address for inspection and photocopying between 9 a.m. and 4 p.m., Monday through Friday.

FOR FURTHER INFORMATION CONTACT: Leo

Campbell (202) 268–6837.

SUPPLEMENTARY INFORMATION: To further its mission of "binding the Nation together through the correspondence of the people," 39 U.S.C. 101, the United States Postal Service is developing services which, through an extension of its traditional paper mail services, will enable and enhance the development of commerce by electronic means. These "Postal Electronic Commerce Services" will provide security and integrity to electronic correspondence and transactions, giving them attributes usually associated with First-Class Mail. As a first step in this effort, the Postal Service is testing a limited prototype pilot of an "Electronic Postmarking Service." Under this new service, the Postal Service will apply a trusted time and date stamp to a document that has been electronically submitted to the Postal Service ("Electronic Postmark"), and then digitally signs the document with a Postal Service private key (defined by a CCITT×.500 § 509 Version 3 certificate). This Electronic Postmark provides evidence of the document's existence at a specific point in time, allows any subsequent change in the document to be identified, and shows that the Electronic Postmarked version of the document was no longer in the possession of the originator at the time of marking.

This Electronic Postmark is a valuable third-party validation of the official character of some documents. For users of electronic commerce, the Electronic Postmark is a way to send important information in a manner that combines the security of postmarked paper with the speed and convenience of an electronic network. Further, the Electronic Postmark, if offered in combination with a public key infrastructure, can be used to validate the digital signature of a sender of documents. At this time, this certification capability is an additional service that the Postal Service will offer only in the event that there is clear demand from its customers.

Although the prototype system for the Electronic Postmark is still in development, it will be FIPS 140–1 complaint and will incorporate U.S. Postal Service Software Process Standards and Security Management Procedures. The Electronic Postmark will use Digital Signature Standard (DSS) as the signing algorithm. Future implementations may incorporate additional or different algorithms. For the prototype test, the service will be provided by contract with an Authorized Computer Service Provider.

This prototype pilot test is intended to last 60 days, although it may be

extended if necessary to achieve more complete test results.

Although exempt from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. §§ 553 (b), (c)) regarding proposed rulemaking by 39 U.S.C. § 410(a), the Postal Service invites public comment on the following revisions to the Title 39 of the Code of Federal Regulations.

List of Subjects in 39 CFR Part 701

Communications, Electronic Commerce Services, Postal Service, Telecommunications.

It is proposed that chapter I of title 39 be amended as set forth below.

SUBCHAPTER I—ELECTRONIC AND COMPUTER-BASED SERVICES

Part 701 in Subchapter I will be added to read as follows:

PART 701—POSTAL ELECTRONIC POSTMARK

Authority: 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 3001–3011.

§ 701.1 Policy and objective.

The Postal Service seeks to offer Electronic Postmark Services that will offer Senders of Messages a third-party validation of the time and date that the Message was received by the Postal Service, and that will validate the existence of the Message by enabling Recipients to determine whether it was changed after its handling by the Postal Service.

§701.2 Trial period.

The Electronic Postmarking Services (defined in § 701.4) are being provided via a prototype system and will be made available to selected Senders as part of a pilot test that is intended to be concluded within 60 days of its start, although it may be extended if necessary to achieve more complete test results. The Regulations in this part will govern that pilot test.

§ 701.3 Definitions.

For purposes of this part, the following definitions shall apply:

(a) Authorized Computer Service Provider means a third party authorized by the Postal Service to accept and process Messages to be Electronically Postmarked and to forward the Postmarked Messages to the Recipient(s).

(b) Authorized Value-Added Network means a private computer-based valueadded network designated by the Postal Service as authorized to carry Messages to the Postal Service for Electronic Postmarking.

(c) *Certificate* means a computer-based record that identifies the Postal

Service public key to be used for purposes of authenticating Postal Service Electronic Postmarks. The certificate will be in CCITT X.500 § 509 version 3 format.

(d) Digital Signature means a transformation of a Message using the Digital Signature Standard (DSS) and the DSA algorithm that allows recipients of the Message to authenticate the Message and determine whether the Message has been altered since it was received by the Postal Service.

(e) *Digitally Sign* means to apply a Digital Signature to a Message.

- (f) Electronic Address means an alphanumeric or other designation corresponding a location on a computer network.
- (g) Electronic Mail Software means any commercially available software product capable of sending and receiving electronic mail Messages.
- (h) *Electronic Postmark* means data incorporated within a Message by the Postal Service that includes the following information:
 - (1) Postal Service branding.
- (2) Date and time in Greenwich Mean Time (GMT) down to the second the Message was received by the Postal Service Mail Processor, as determined by the Mail Processor's internal clock.
- (3) Postal Service Certificate serial number.
- (4) Postal Service's distinguished name.
- (5) Postal Service's Digital Signature consisting of the DSA R component and the DSA S component.
- (i) Mail Processor means the computer system operated by an Authorized Computer Service Provider that is designed to handle the processing of Messages intended to be Electronically Postmarked in accordance with this Regulation.
- (j) Message means any data in electronic machine-readable form directed to one or more Electronic Addresses to which it can be communicated via a computer network. A "Message" is not a "letter" for purposes of part 310.
- (k) Postmark Address means the email address to which a Message must be sent in order to obtain an Electronic Postmark
- (l) Postmarked Message means a Message, submitted to the Postal Service by a Sender in accordance with these Regulations, to which an Electronic Postmark has been added to the body of the Message as text, and which is attached to another Message containing a graphical representation of the Electronic Postmark.
- (m) *Postmark Processor* means the computer system operated by or on

- behalf of the Postal Service for the purpose of applying an Electronic Postmark to a Message.
- (n) *Recipient(s)* means the person(s) designated by an Electronic Address in a Message prepared by the Sender to receive the Electronic Postmarked Message.
- (o) Sender means an individual or entity that submits a Message to the Postal Service via an Authorized Value-Added Network for Electronic Postmarking under part 701.
- (p) *USPS Mail Reader* means software developed or licensed by the Postal Service that enables a Recipient to view an Electronic Postmarked Message, view the Electronic Postmark, and authenticate the Electronic Postmark for such Message.

§ 701.4 Description of Electronic Postmark Services.

- (a) The Postal Service will provide the following Electronic Postmark Services for Messages sent to the Postmark Address at its Mail Processor via an Authorized Value-Added Network:
- (1) The Postal Service will apply an Electronic Postmark to the Message using a private key corresponding to the public key specified in its Certificate.
- (2) The Postal Service will forward the Postmarked Message to the recipient(s) designated by the Sender, using the same Authorized Value-Added Network from which the Message was originally received.
- (b) The Electronic Postmarking Services will be available on demand, on a 24-hour, 7-day-a-week basis, subject to equipment, software, and communications problems.
- (c) The Electronic Postmarking Services do not include any undertaking by the Postal Service to deliver Messages to any intended Recipient. The Postal Service's obligation is limited to communicating the Electronic Postmarked Message, using each Recipient's Electronic Address as specified by the Sender, to the Authorized Value-Added Network from which it was received, for further communication to the intended Recipient by such Authorized Value-Added Network. The Postal Service shall have no obligation or liability with respect to the performance of any Authorized Value-Added Network.
- (d) The Postal Service may subcontract the foregoing Electronic Postmark Services to an Authorized Computer Service Provider.

§ 701.5 Requirements for submitting messages to be postmarked.

Any person whether or not a U.S. citizen and whether or not located in

- the United States may submit a Message to the Postal Service to be Electronically Postmarked in accordance with these Regulations, provided the following requirements are met:
- (a) the Message must be in the format prescribed by § 701.6;
- (b) the Message must be submitted to the Postmark Address at the Postal Service Mail Processor via an Authorized Value-Added Network; and
- (c) the Sender must have an account with an Authorized Computer Service Provider for the purpose of obtaining Electronic Postmarks, and must pay the fee provided in § 701.8 to such Authorized Computer Service Provider.

§ 701.6 Message format.

- (a) Messages shall be submitted electronically in a binary-encoded file.
- (b) Messages must include: (i) the Postmark Address at the Postal Service's Mail Processor; (ii) a valid account number against which the Authorized Computer Service Provider may charge applicable fees for Electronic Postmarking Services, and (iii) the Electronic Addresses of any Recipients to whom the Electronic Postmarked Message should be forwarded after the Electronic Postmark is applied.
- (c) For the purposes of this test, the specific format shall be specified by the Authorized Computer Service Provider.

§ 701.7 Authorized Value-Added Network and Authorized Computer Service Provider.

- (a) All Messages to be Electronically Postmarked must be submitted to the Postmark Address through an Authorized Value-Added Network, and the corresponding Electronic Postmarked Message will be forwarded to the Recipient(s) by the Postal Service using the same Authorized Value-Added Network. Senders must make necessary arrangements with the Authorized Value-Added Network.
- (b) The Authorized Computer Service Provider is responsible for issuing account numbers, billing Senders for the Electronic Postmarking Services, and supplying Senders and Recipients with the USPS Mail Reader software.
- (c) The Authorized Computer Service Provider and Authorized Value-Added Networks may by contract or otherwise specify other protocols, formats, procedures, terms, conditions, and requirements not inconsistent with these Regulations with respect to the generation, structure, submission and receipt of Messages, the assignment, use, and authentication of account numbers, and the payment of charges assessed against account numbers.
- (d) A list of Authorized Computer Service Providers and Authorized

Value-Added Networks may be obtained by contacting the Postal Service via electronic mail at: LCAMPBEL@EMAIL.USPS.GOV, or by writing to: Leo Campbell, New Electronic Businesses, 475 L'Enfant Plaza SW, Room 5670, Washington, DC 20260–2427. Requests sent by regular mail should include a self-addressed stamped return envelope.

§701.8 Fees.

- (a) Senders submitting Messages shall be charged in accordance with fee schedules to be developed by the Postal Service. The fee shall be assessed against the Sender account number. Sender will be billed for the amount of the fee by the Authorized Computer Service Provider that issued the account number.
- (b) A person submitting an account number in connection with a Message is representing to the Postal Service that he or she has authority to use the account number to pay for the Electronic Postmarking of the Message. Persons using account numbers without proper authority may be subject to fines and imprisonment.

§ 701.9 Specifications for recipients.

- (a) When a Recipient receives a Postmarked Message, Recipient will need a USPS Mail Reader to read it. The USPS Mail Reader will include the public key file (and may include the Postal Service Certificate) for verifying the Postal Service Digital Signature on the Electronic Postmarked Message.
- (b) The USPS Mail Reader is available from the Authorized Service Provider and will be licensed to Recipients on terms specified by the Authorized Service Provider. Use of the USPS Mail Reader constitutes acceptance of these terms

§ 701.10 Electronic Postmark.

- (a) Application of Electronic Postmark. Messages submitted for Electronic Postmarks will be processed substantially as follows:
- (1) Upon receipt of the Message by the Mail Processor, the format of the information specified in § 701.6 and the Sender's account with the Authorized Computer Service Provider is verified. Messages that are not in proper format, and Messages received from Senders who do not designate valid account numbers, will be returned.
- (2) Messages received in proper format from Senders with valid accounts will be readdressed to the intended Recipient(s) and passed to the Electronic Postmark Processor.
- (3) The Electronic Postmark Processor will create an Electronic Postmark for

- the Message. It will then create a new Message, with the body being a graphical representation of the Electronic Postmark and with the original Message attached to the new Message using Mime base 64. The new Message, with attachment, is then sent back to the Mail Processor as the Postmarked Message.
- (4) The Mail Processor will then forward the Electronic Postmarked Message to the Recipient(s) designated in the original Message via the same Authorized Value-Added Network from which it was received.
- (b) Security Policy. The Electronic Postmark will be FIPS 140–1 complaint and will incorporate U.S. Postal Service Software Process Standards and Security Management Procedures. Implementation of the Electronic Postmark will also be governed by the Postal Services Electronic Commerce Services Security Policy. The Electronic Postmark will use Digital Signature Standard (DSS) as the signing algorithm.

§ 701.11 Digital signatures and certificates.

- (a) All Postmarked Messages will be Digitally Signed by the Postal Service.
- (b) The Digital Signature shall be based on the original Message, plus the Electronic Postmark, using the Digital Signature Standard (DSS).
- (c) All Digital Signatures will be generated using a private key held by the Postal Service corresponding to a public key specified in the Certificate located in the United States Postal Service Prototype Certificate Authority in the Information Systems Service Center (ISSC) in San Mateo, CA.

§701.12 Message handling generally.

- (a) Except as provided in § 701.10, the Postal Service will not undertake to verify the format or integrity of any Message received for Electronic Postmark Processing. Messages shall be Postmarked as received, regardless of condition.
- (b) Messages will be processed for Electronic Postmarking and forwarding to the intended Recipient within a reasonable time after receipt by the Mail Processor. However, the Postal Service does not guarantee any specific response time.
- (c) Messages with invalid account numbers will not be Electronic Postmarked or forwarded to the Recipient. They will be returned to Sender.
- (d) Electronic Postmarked Messages will be forwarded to the Recipient identified by the Sender using the same Authorized Value-Added Network as that from which the Message was

originally received by the Mail Processor. The Postal Service shall have no responsibility for delivery of the Message by the Authorized Value-Added Network.

§701.13 Terms and condition of service.

- (a) The Electronic Postmark Services are offered subject to the terms of this part, which Senders are deemed to accept by submitting any Message to the Postmark Address at the Postal Service Mail Processor.
- (b) The Postal Service shall have no liability to the Sender or any Recipient for any indirect, incidental, special, or consequential damages (including damages for loss of profits or revenue by the Sender, Recipient, or any third party), or for damages arising from lost or corrupted Messages or other data, delayed or incorrect forwarding of Messages, or any other failure or error on the part of the Postal Service, whether in an action in contract or tort, even if the Postal Service has been advised of the possibility of such damages.
- (c) The Postal Service's entire liability for any damages claim (regardless of legal theory) arising from the provision of Electronic Postmarking Services shall not exceed the amount of fees paid by the applicable Sender for the Electronic Postmarking Services giving rise to the liability.
- (d) Each Sender shall indemnify and hold the Postal Service and its Governors, officers, employees, subcontractors and agents (the "Indemnified Parties") harmless from and against any and all liabilities, losses, damages, costs, and expenses (including legal fees and expenses) associated with, or incurred as a result of, any claim or action brought against an Indemnified Party either for actual or alleged infringement of any patent, copyright, trademark, service mark, trade secret, or other property right based on the processing, or communication of any Message submitted to the Postal Service by the Sender.
- (e) A Sender shall not submit Messages or otherwise use Electronic Postmarking Services in any manner that violates any federal or state law or regulations.

§701.14 Security provisions.

(a) Policy. The Postal Service will preserve and protect the security of all Messages and Postmarked Messages in its custody from unauthorized interception, inspection or reading of contents, or tampering, delay, or other unauthorized acts. Any postal employee committing or allowing any of these

unauthorized acts is subject to administrative discipline and may be subject to criminal prosecution leading to fine, imprisonment, or both. An employee having a question about proper security procedures that is not clearly and specifically answered by postal regulations or by written direction of the Inspection Service or Law Department shall resolve the question by protecting the Messages in all respects and delivering them, or letting them be delivered, without interruption to their destination.

(b) Interception, Searching, or Reading of Messages Generally Prohibited.

(1) General.

In general, no employee may intercept, search, read, or divulge the contents of any Message submitted for Electronic Postmarking, even though such Message may be believed to contain criminal matter or evidence of the commission of a crime. The only exception to this general rule is for a person executing a search warrant duly issued under Rule 41 of the Federal Rules of Criminal Procedure. Usually, a warrant issued by a Federal Court or service by a Federal Officer is issued under Rule 41, and is duly issued if signed and dated within the past 10 days. No employee shall permit the execution of a search warrant issued by a state court and served by a state officer.

- (2) Disclosure of Information
 Collected from Messages Sent or
 Received by Customers. Except as
 provided in § 701.14(b)(1), no employee
 in the performance of official duties
 may disclose information collected from
 Messages processed by the Postal
 Service Electronic Postmark Processor,
 including any information about a
 Message processed by the Postal
 Service.
- (3) Interference with Operation of Postal Computers.

Interference by any person with the operation of Postal Service data processing equipment, including the Postmark Processor, is strictly prohibited.

Stanley F. Mires,

Chief Counsel, Legislative.

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BILLING CODE 7710-12-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 70

[AD-FRL-5552-7]

Clean Air Act Proposed Interim Approval of Operating Permits Program; Delegation of Section 112 Standards; State of New Hampshire

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed interim approval.

SUMMARY: The EPA is promulgating interim approval of the Operating Permits Program submitted by the State of New Hampshire for the purpose of complying with Federal requirements for an approvable State program to issue operating permits to all major stationary sources, and to certain other sources. EPA is also approving the State's authority to implement hazardous air pollutant requirements.

DATES: Comments on this proposed action must be received in writing by September 13, 1996.

ADDRESSES: Comments should be addressed to Ida E. Gagnon, Air Permits Program, CAP, U.S. Environmental Protection Agency, Region I, JFK Federal Building, Boston, MA 02203–2211.

Copies of the State's submittal and other supporting information relevant to this action are available for inspection during normal business hours at the following location: U.S. Environmental Protection Agency, Region 1, One Congress Street, 11th floor, Boston, MA 02203.

FOR FURTHER INFORMATION CONTACT: Ida E. Gagnon, Air Permits Program, CAP, U.S. Environmental Protection Agency, Region 1, JFK Federal Building, Boston, MA 02203–2211, (617) 565–3500.

SUPPLEMENTARY INFORMATION:

I. Background and Purpose

A. Introduction

As required under title V of the 1990 Clean Air Act Amendments (sections 501–507 of the Clean Air Act ("the Act")), EPA has promulgated rules which define the minimum elements of an approvable State operating permits program and the corresponding standards and procedures by which the EPA will approve, oversee, and withdraw approval of State operating permits programs (see 57 FR 32250 (July 21, 1992)). These rules are codified at 40 Code of Federal Regulations (CFR) Part 70. Title V requires States to develop, and submit to EPA, programs for issuing

these operating permits to all major stationary sources and to certain other

The Act requires that States develop and submit these programs to EPA by November 15, 1993, and that EPA act to approve or disapprove each program within 1 year after receiving the submittal. The EPA's program review occurs pursuant to section 502 of the Act and the Part 70 regulations, which together outline criteria for approval or disapproval. Where a program substantially, but not fully, meets the requirements of Part 70, EPA may grant the program interim approval for a period of up to 2 years. If EPA has not fully approved a program by 2 years after the November 15, 1993 date, or by the end of an interim program, it must establish and implement a Federal program.

B. Federal Oversight and Sanctions

If EPA were to finalize this proposed interim approval, it will extend for two years following the effective date of final interim approval, and cannot be renewed. During the interim approval period, the State of New Hampshire is protected from sanctions, and EPA is not obligated to promulgate, administer and enforce a Federal permits program for the State of New Hampshire. Permits issued under a program with interim approval have full standing with respect to Part 70, and the 1-year time period for submittal of permit applications by subject sources specified in section 503(c) of the Act begins upon the effective date of interim approval, as does the 3-year time period for processing the initial permit applications.1

Following final interim approval, if the State of New Hampshire fails to submit a complete corrective program for full approval by the date 6 months before expiration of the interim approval, EPA will start an 18-month clock for mandatory sanctions. If the State of New Hampshire then fails to submit a corrective program that EPA finds complete before the expiration of that 18-month period, EPA will be required to apply one of the sanctions in section 179(b) of the Act, which will remain in effect until EPA determines that the State of New Hampshire has corrected the deficiency by submitting a complete corrective program. If, six months after application of the first sanction, the State of New Hampshire still has not submitted a corrective

¹ Note that states may require applications to be submitted earlier than required under section 503(c). See Env-A 609.05(d).