

Penalties, Reporting and recordkeeping requirements.

Proposed Amendments to the Regulations

Accordingly, 26 CFR part 301 is proposed to be amended as follows:

PART 301—PROCEDURE AND ADMINISTRATION

Paragraph 1. The authority citation for part 301 is amended by adding entries in numerical order to read as follows:

Authority: 26 U.S.C. 7805 * * *

Section 301.6109–1 also issued under 26 U.S.C. 6109;

Section 301.6109–3 also issued under 26 U.S.C. 6109; * * *

Par. 2. Section 301.6109–1 is amended by revising paragraphs (a)(1)(i), (a)(1)(ii) introductory text, (a)(1)(ii)(A), and (a)(1)(ii)(B) to read as follows:

§ 301.6109–1 Identifying numbers.

(a) * * * (1) *Taxpayer identifying numbers*—(i) [The text of proposed paragraph (a)(1)(i) is the same as the text of § 301.6109–1T(a)(1)(i) published elsewhere in this issue of the **Federal Register**].

(ii) [The text of proposed paragraph (a)(1)(ii) introductory text is the same as the text of § 301.6109–1T(a)(1)(ii) introductory text published elsewhere in this issue of the **Federal Register**].

(A) and (B) [The text of proposed paragraphs (a)(1)(ii)(A) and (B) are the same as the text of § 301.6109–1T(a)(1)(ii)(A) and (B) published elsewhere in this issue of the **Federal Register**].

* * * * *

Par. 3. Section 301.6109–3 is added to read as follows:

§ 301.6109–3 IRS adoption taxpayer identification numbers.

[The text of this proposed section is the same as the text of § 301.6109–3T published elsewhere in this issue of the **Federal Register**].

Michael P. Dolan,

Acting Commissioner of Internal Revenue.

[FR Doc. 97–30549 Filed 11–21–97; 8:45 am]

BILLING CODE 4830–01–P

POSTAL SERVICE

39 CFR Part 111

Delivery of Mail to a Commercial Mail Receiving Agency

AGENCY: Postal Service.

ACTION: Notice of proposed rule; extension of comment period.

SUMMARY: The Postal Service published in the **Federal Register** (62 FR 45366–45368) on August 27, 1997, a proposal to amend section D042.2.5 through D042.2.7 of the Domestic Mail Manual to update and clarify procedures for delivery of an addressee's mail to a Commercial Mail Receiving Agency (CMRA). The proposal provides procedures for registration to act as a CMRA; an addressee to request mail delivery to a CMRA; and in delivery of the mail to a CMRA. The Postal Service requested comments by September 26, 1997. Due to several requests received for additional time, the Postal Service is extending the comment period to December 24, 1997.

DATES: Comments on the proposed rule change must be received on or before December 24, 1997.

ADDRESSES: Written comments should be mailed to Manager, Delivery, Operations Support, U.S. Postal Service, 475 L'Enfant Plaza SW Room 7142, Washington, DC 20260–2802. Copies of all written comments will be available for inspection and photocopying between 9:00 a.m. and 4:00 p.m., Monday through Friday, at the above address.

FOR FURTHER INFORMATION CONTACT: Roy E. Gamble, (202) 268–3197.

SUPPLEMENTARY INFORMATION: Representatives of the CMRA industry interested in the proposed update and clarification of procedures for delivery of an addressee's mail to a CMRA, has requested an extension of time to file comments regarding the proposed rules published on August 27, 1997. Central to this request is an asserted oversight by the industry organizations and CMRA operators of the **Federal Register** publication of August 27. The Postal Service believes that the public interest will be served by the fullest practicable exposition of facts concerning this issue and accordingly extends the time for comments until December 24, 1997.

Stanley F. Mires,

Chief Counsel, Legislative.

[FR Doc. 97–30828 Filed 11–21–97; 8:45 am]

BILLING CODE 7710–12–P

FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Part 206

RIN 3067–AC67

Disaster Assistance; Public Assistance Program Appeals; Hazard Mitigation Grant Program Appeals

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Proposed rule.

SUMMARY: This proposed rule would change the procedure for the review and disposition of appeals related to Public Assistance grants and the Hazard Mitigation Grant Program (HMGP). The rule would reduce from three to one the number of appeals allowed, would reduce delays in final resolution of appeals, and would make new provisions for reimbursing administrative costs for preparing and processing appeals.

DATES: We invite your comments on this proposed rule, which may be submitted on or before January 23, 1998.

ADDRESSES: Please send any comments to the Rules Docket Clerk, Office of the General Counsel, Federal Emergency Management Agency, 500 C Street SW., room 840, Washington, DC 20472, (facsimile) (202) 646–4536.

FOR FURTHER INFORMATION CONTACT: Regarding HMGP appeals, Robert F. Shea, Mitigation Directorate, Federal Emergency Management Agency, 500 C Street, SW., Washington, DC 20472, (202) 646–3619, (facsimile) (202) 646–3104; regarding Public Assistance appeals, Melissa M. Howard, Response and Recovery Directorate, Federal Emergency Management Agency, 500 C Street, SW., Washington, DC 20472, (202) 646–3053, facsimile (202) 646–3304.

SUPPLEMENTARY INFORMATION: Under section 423 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), 42 U.S.C. 5189a, any decision regarding eligibility or amount of assistance may be appealed. Currently FEMA allows three appeal levels, respectively, to the Regional Director, the Associate Director, and to the Director.

This proposed rule would reduce from three to one the number of appeals allowed to be taken by an applicant. The authority for appeal decisions will rest with the Regional Director, who will consult with FEMA Headquarters on all potential appeal denials when the amount in question is \$1,000,000 or more in Federal funds.

This proposed change would support FEMA policy that the Regional Director is responsible for final decisions on all Public Assistance and HMGP funding. The Regional Director's appeal determination would be the Agency's final position on the matter.

The intent of this change is to reduce the significant amount of time and associated costs incurred by FEMA, grantees, and subgrantees to resolve appeal issues. Given the timeframes allowed, the current process can take up

to two years to make a final decision by the Director of the Agency. This proposed change would provide applicants with a final resolution sooner than previously. All provisions for fair and impartial consideration required by the Stafford Act would be maintained.

The rule would be effective for all appeals made on or after the effective date of the rule. Appeals pending from a decision of a Regional Director or an Associate Director/ Executive Associate Director before the effective date of the rule may be appealed to the next higher appeal level in accordance with §§ 202.206 and 206.440 as they existed before the effective date of this rule. The decision of the FEMA official at the next higher appeal level would be final. For example, if a Regional Director had *not* made a decision on an appeal pending before the effective date of the rule the appeal would be decided in accordance with the new rule, and the decision of the Regional Director would be final. If a Regional Director had made a decision before the effective date of the rule, the decision could be appealed to the Associate Director or Executive Associate Director, whose decision would be final. If the appeal had been decided at the Associate Director level, the decision could be appealed to the Director, whose decision would be final.

The proposed rule also provides that grantees and subgrantees would be responsible for separately tracking and accounting for all costs associated with preparing and processing appeals. FEMA would reimburse grantees' and subgrantees' administrative costs for preparing and processing appeals only when an appeal is decided in favor of the applicant. This change is proposed in the interest of responsible use of tax dollars, and in the face of an increasing number of appeals that have been identified as frivolous or without merit.

This proposed rule supersedes the proposed Public Assistance appeal procedure published on October 24, 1996, 61 FR 55122-55123.

National Environmental Policy Act

This proposed rule is categorically excluded from the preparation of environmental impact statements and environmental assessments as an administrative action in support of normal day-to-day grant activities. No environmental impact statement or environmental assessment has been prepared.

Executive Order 12866, Regulatory Planning and Review

This proposed rule is not a significant regulatory action within the meaning of § 2(f) of E.O. 12866 of September 30,

1993, 58 FR 51735, but attempts to adhere to the regulatory principles set forth in E.O. 12866. The rule has not been reviewed by the Office of Management and Budget under E.O. 12866.

Paperwork Reduction Act

This proposed rule does not involve any collection of information for the purposes of the Paperwork Reduction Act.

Regulatory Flexibility Act

The Director certifies that this proposed rule will not, if promulgated, have a significant economic impact on a substantial number of small entities. The rule would reduce the number of appeals that an entity might make and is expected to reduce administrative burden and compliance requirements associated with appeals. A regulatory flexibility analysis has not been prepared.

Executive Order 12612, Federalism

This proposed rule involves no policies that have federalism implications under E.O. 12612, Federalism, dated October 26, 1987.

Executive Order 12778, Civil Justice Reform

This proposed rule complies with applicable standards of § 2(b)(2) of E.O. 12778.

List of Subjects in 44 CFR Part 206

Administrative practice and procedure, Disaster assistance.

Accordingly, 44 CFR part 206 is proposed to be amended as follows:

1. The authority citation for part 206 continues to read as follows:

Authority: The Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 *et seq.*; Reorganization Plan No. 3 of 1978, 43 FR 41943, 3 CFR, 1978 Comp., p. 329; E.O. 12127, 44 FR 19367, 3 CFR, 1979 Comp., p. 376; E.O. 12148, 44 FR 43239, 3 CFR, 1979 Comp., p. 412; and E.O. 12673, 54 FR 12571, 3 CFR, 1989 Comp., p. 214.

2. Section 206.206 is revised to read as follows:

§ 206.206 Appeals.

An eligible applicant, subgrantee, or grantee may appeal any determination previously made related to an application for or the provision of Federal assistance according to the following procedures.

(a) *Format and Content.* The applicant or subgrantee will make the appeal to the Regional Director, in writing, through the grantee. The grantee shall review and evaluate all subgrantee appeals before submission to the

Regional Director. The grantee may make grantee-related appeals to the Regional Director. The appeal shall contain documented justification supporting the appellant's position, specifying the monetary figure in dispute and the provisions in Federal law, regulation, or policy with which the appellant believes the initial action was inconsistent.

(b) *Levels of Appeal.* The Regional Director is the deciding official on all appeals. The Regional Director will consult with FEMA Headquarters during the review of all potential appeal denials when the amount in question is \$1,000,000 or more in Federal funds.

(c) *Time Limits.* (1) Appellants must make appeals within 60 days after receipt of a notice of the action that is being appealed.

(2) The grantee will review and forward appeals from an applicant or subgrantee, with a written recommendation, to the Regional Director within 60 days of receipt.

(3) Within 90 days following receipt of an appeal, the Regional Director will notify the grantee in writing as to the disposition of the appeal or of the need for additional information. A request by the Regional Director for additional information will include a date by which the information must be provided. Within 90 days following the receipt of requested additional information or the expiration of the period for providing the information, the Regional Director will notify the grantee in writing of the disposition of the appeal. If the decision is to grant the appeal, the Regional Director will take appropriate implementing action.

(d) *Technical Advice.* In appeals involving highly technical issues, the Regional Director may, at his or her discretion, submit the appeal to an independent scientific or technical person or group having expertise in the subject matter of the appeal for advice or recommendation. The period for this technical review may be in addition to other allotted time periods. Within 90 days of receipt of the report, the Regional Director will notify the grantee in writing of the disposition of the appeal.

(e) *Administrative costs of appeal.* Grantees and subgrantees must track and account for all costs associated with preparing and processing appeals. FEMA will not reimburse grantees' and subgrantees' administrative costs for preparing and processing appeals that are not decided in favor of the applicant.

(f) *Transition.* (1) This rule is effective for all appeals filed on or after [30 days

after date of publication of final rule in the **Federal Register**].

(2) Appeals pending from a decision of a Regional Director or an Associate Director/Executive Associate Director before [the effective date of the final rule] may be appealed to the next higher appeal level in accordance with 44 CFR 206.206 as it existed before [the effective date of the final rule]. The decision of the FEMA official at the next higher appeal level shall be final.

3. Section 206.440 is revised to read as follows:

§ 206.440 Appeals.

An eligible applicant, subgrantee, or grantee may appeal any determination previously made related to an application for or the provision of Federal assistance according to the following procedures.

(a) *Format and Content.* The applicant or subgrantee will make the appeal to the Regional Director, in writing, through the grantee. The grantee shall review and evaluate all subgrantee appeals before submission to the Regional Director. The grantee may make grantee-related appeals to the Regional Director. The appeal shall contain documented justification supporting the appellant's position, specifying the monetary figure in dispute and the provisions in Federal law, regulation, or policy with which the appellant believes the initial action was inconsistent.

(b) *Levels of Appeal.* The Regional Director is the deciding official on all appeals. The Regional Director will consult with FEMA Headquarters during the review of all potential appeal denials when the amount in question is \$1,000,000 or more in Federal funds.

(c) *Time Limits.* (1) Appellants must make appeals within 60 days after receipt of a notice of the action that is being appealed.

(2) The grantee will review and forward appeals from an applicant or subgrantee, with a written recommendation, to the Regional Director within 60 days of receipt.

(3) Within 90 days following receipt of an appeal, the Regional Director will notify the grantee in writing as to the disposition of the appeal or of the need for additional information. A request by the Regional Director for additional information will include a date by which the information must be provided. Within 90 days following the receipt of requested additional information or the expiration of the period for providing the information, the Regional Director will notify the grantee in writing of the disposition of the appeal. If the decision is to grant the

appeal, the Regional Director will take appropriate implementing action.

(d) *Technical Advice.* In appeals involving highly technical issues, the Regional Director may, at his or her discretion, submit the appeal to an independent scientific or technical person or group having expertise in the subject matter of the appeal for advice or recommendation. The period for this technical review may be in addition to other allotted time periods. Within 90 days of receipt of the report, the Regional Director will notify the grantee in writing of the disposition of the appeal.

(e) *Administrative costs of appeal.* Grantees and subgrantees must track and account for all costs associated with preparing and processing appeals. FEMA will not reimburse grantees' and subgrantees' administrative costs for preparing and processing appeals that are not decided in favor of the applicant.

(f) *Transition.* (1) This rule is effective for all appeals filed on or after [30 days after date of publication of final rule in the **Federal Register**].

(2) Appeals pending from a decision of a Regional Director or an Associate Director/Executive Associate Director before [the effective date of the final rule] may be appealed to the next higher appeal level in accordance with 44 CFR 206.440 as it existed before [the effective date of the final rule]. The decision of the FEMA official at the next higher appeal level shall be final.

Dated: November 17, 1997.

James L. Witt,

Director.

[FR Doc. 97-30808 Filed 11-21-97; 8:45 am]

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FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Part 206

RIN 3067-AC68

Disaster Assistance; Fire Suppression Assistance

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Proposed rule.

SUMMARY: This proposed rule would simplify the fire eligibility process from three thresholds to one threshold and would change the Federal cost share to 75 percent for fire suppression assistance.

DATES: We invite comments on this proposed rule and will accept comments until January 23, 1998.

ADDRESSES: Send written comments to the Rules Docket Clerk, Office of the General Counsel, Federal Emergency Management Agency, 500 C Street SW., Washington, DC 20472, (facsimile) 202-646-4536.

FOR FURTHER INFORMATION CONTACT: Curtis Carleton, Chief, Community Services Branch, Federal Emergency Management Agency, 500 C Street SW., room 713, Washington, DC 20472, 202-646-4535.

SUPPLEMENTARY INFORMATION: As defined in section 420 of the Stafford Act, FEMA may provide Federal assistance to any State for fire suppression on publicly or privately owned forest or grassland if the Governor determines that the fire suppression assistance is warranted. Currently, fire suppression assistance is (1) based on a three-tiered funding system and (2) funded with the cost share for at least 70 percent of eligible costs in excess of the floor cost. This amendment is intended (1) to eliminate the three-tiered funding system and (2) to adjust the minimum Federal cost share for eligible costs to not less than 75 percent.

In 1970, the cost share structure was established with the assistance of the United States Department of Agriculture (Forest Service) and the United States Department of Interior. The structure was created before the existence of a cost share structure for any other Federal disaster assistance program. As with other disaster assistance programs, it attempted to ensure that Federal assistance supplemented State and local governmental resources and complemented other Federal and State fire programs.

Federal assistance under the current fire suppression grant is based on a three-tiered threshold system, as follows:

Three Tiered FEMA Reimbursement Approach

(1) State pays 100 percent of costs until single declared fire cost equals floor cost, and then FEMA pays 70 percent of costs in excess of floor cost for that fire and all subsequent, declared fires.

(2) If State's expenses for all fires, declared or not, exceed average State fiscal year costs, FEMA pays 70 percent of all costs for declared fires (no deduction for floor cost).

(3) If State's expenses for all fires, declared or not, exceed twice the average fiscal year costs, FEMA pays 100 percent of all costs for declared fires.

This proposed rule would simplify the three-tiered process, replacing it