

For the Nuclear Regulatory Commission.
David H. Jaffe,
Senior Project Manager, Section 1, Project Directorate IV & Decommissioning, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.
 [FR Doc. 99-11998 Filed 5-11-99; 8:45 am]
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OFFICE OF THE TRADE REPRESENTATIVE

Notification of Locations and Times for Public Hearings

AGENCY: Office of the United States Trade Representative (USTR).

ACTION: Trade Policy Staff Committee (TPSC) notification of locations and times for public hearings.

SUMMARY: A notice was published in the *Federal Register* on April 14, 1999 (Vol. 64, No. 71, page 18469) announcing TPSC public hearings to be held in Washington, DC; Chicago, IL; Atlanta, GA; Los Angeles, CA; and Dallas, TX. That notice invited oral testimony and/or written comments of interested parties to assist the Administration in its efforts to develop proposals and positions concerning the agenda of the third Ministerial Conference of the World Trade Organization (WTO). This notice announces the specific times and locations for the hearings in each city.
FOR FURTHER INFORMATION CONTACT: For procedural questions concerning public comments and/or public hearings contact Gloria Blue, Executive Secretary, Trade Policy Staff Committee, Office of the United States Trade Representative at (202) 395-3475. All other questions concerning the WTO negotiations should be addressed to the agency's Office of WTO and Multilateral Affairs at (202) 395-6843.

SUPPLEMENTARY INFORMATION: All hearings will begin at 9:30 a.m. Following receipt of requests to testify, witnesses will be notified directly of their scheduled date and time to appear. The exact locations of the hearings are as follows:

Washington, May 19-20 (and 21, if necessary): White House Conference Center, Truman Room, 726 Jackson Place, NW, Washington, DC 20502
 Chicago, June 7 (and 8, if necessary): James R. Thompson Center, Room 9-040, 100 West Randolph Street, Chicago, IL 60601

Atlanta, June 10 (and 11, if necessary): Richard B. Russell Federal Building, Main Auditorium, 75 Spring Street, Southwest, Atlanta, GA 30303

Los Angeles, June 21 (and 22, if necessary): Central Library, Los

Angeles Public Library, Mark Taper Auditorium, 630 West Fifth Street, Los Angeles, California 90071
 Dallas, June 24 (and 25, if necessary): Federal Reserve Bank of Dallas Auditorium, 2200 North Pearl Street, Dallas, Texas 75210

All deadlines remain the same as stated in the previous notice.

Frederick L. Montgomery,
Chairman, Trade Policy Staff Committee.
 [FR Doc. 99-11931 Filed 5-11-99; 8:45 am]
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OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Annual Report on Discrimination in Foreign Government Procurement Pursuant to Executive Order 13116 ("Title VII")

AGENCY: Office of the United States Trade Representative.

ACTION: Notice.

SUMMARY: Notice is hereby given that the United States Trade Representative ("USTR") has submitted the annual report on discrimination in foreign government procurement, published herein, to the Committees on Finance and on Governmental Affairs of the United States Senate and the Committees on Ways and Means and on Government Reform and Oversight of the United States House of Representatives, pursuant to the reinstituted procedures of Title VII of the Omnibus Trade and Competitiveness Act of 1988 ("Title VII"), as amended, as set forth in Executive Order No. 13116 of March 31, 1999.

DATES: The report was submitted on April 30, 1999.

FOR FURTHER INFORMATION CONTACT: Stephen Kho, Assistant General Counsel, Office of the US Trade Representative, 600 17th Street, NW, Washington, DC 20508, 202-395-3581.

SUPPLEMENTARY INFORMATION: The text of the USTR report is as follows:

Office of the United States Trade Representative, Washington, DC

April 30, 1999

Annual Report on Discrimination in Foreign Government Procurement

I. Legal Authority

On March 31, 1999, the President signed Executive Order 13116, which largely reinstitutes the provisions of Title VII of the Omnibus Trade and Competitiveness Act of 1988 ("Title VII"), as amended. Under the Executive

Order, the United States Trade Representative ("USTR") is required to submit to the Congress by April 30 of each year a report identifying foreign countries:

(1) That have failed to comply with their obligations under the WTO Agreement on Government Procurement ("GPA"), Chapter 10 of the North American Free Trade Agreement, or other agreements relating to government procurement to which that country and the United States are parties; or

(2) That maintain, in government procurement, a significant pattern or practice of discrimination against U.S. products or services which results in identifiable harm to U.S. businesses, when those countries' products or services are acquired in significant amounts by the U.S. Government.

Within 90 days of the submission of the report, USTR must initiate under section 301 of the Trade Act of 1974, as amended, an investigation with respect to any country identified in the report, unless USTR determines that a satisfactory resolution of the matter has been achieved. If the matter is not resolved during that period and USTR determines that the rights of the United States under an international procurement agreement are being violated, or that any discriminatory procurement practices exist, the Executive Order requires USTR, *inter alia*, to initiate formal dispute settlement proceedings under the international agreement in question or revoke any waivers for purchasing requirements granted to the discriminating foreign country.

Title VII has been a useful and effective tool in challenging foreign governments' procurement barriers. The reinstitution of Title VII procedures through Executive Order 13116 sends a strong signal that the President is committed to protecting U.S. interests in international procurement markets.

II. Identification of Foreign Countries and their Discriminatory Procurement Practices

From 1991 to 1996, USTR conducted six annual reviews under Title VII. During that time, six identifications were formally made, while numerous potentially discriminatory government procurement practices were noted. USTR achieved satisfactory resolution with respect to eight discriminatory or potentially discriminatory practices, including a GATT dispute settlement proceeding, with regard to the procurement of an electronic toll booth collection system in Norway, in which the panel found in favor of the United States.

Two other Title VII determinations remain outstanding: In 1992, USTR identified the European Union ("EU") as engaging in discriminatory procurement practices of government-owned telecommunications in certain member states; the United States imposed sanctions in 1993, which are still in place today. Also, in 1996, USTR identified Germany for discriminating in the heavy electrical equipment sector and for its failure to adequately implement its obligations under the 1993 U.S.-EU Memorandum of Understanding on Government Procurement. As a result, Germany agreed to seek legislative changes to end its discriminatory practices and the United States agreed to temporarily suspend sanctions (see below for an update).

After consulting with other executive agencies and U.S. businesses, USTR has determined not to identify any countries under Title VII, because the practices of concern are either being addressed under another trade dispute mechanism, do not meet the criteria for identification, or are currently under scrutiny as a result of previous identifications. The Administration will continue to carefully monitor these practices in making its determinations next year, and the United States will move forward with WTO dispute settlement proceedings to challenge Korea's government procurement practices in the construction of the Incheon International Airport.

A. Korea

As a party to the GPA, the procurement market for the Republic of Korea (ROK) was estimated at approximately \$3.8 billion in 1998. Of this, about \$1.3 billion was subject to international tendering procedures in accordance with GPA rules. In addition to purchases of goods and services, it is estimated that Korea awarded construction contracts valued at \$6.1 billion in 1998.

Presently, Korea is constructing the Incheon International Airport ("IIA"). Valued at \$6 billion, IIA is one of the largest public works projects in Asia, and the largest underway in Korea. Although the airport is about half completed, procurements over the next several years will be worth billions of dollars, including those for (1) meteorological radar, (2) Satellite Navigation System (CNS/ATM), (3) control facilities for parking, (4) a cargo x-ray system, and (5) a passenger x-ray system. It is important that U.S. firms have fair access to these contracts.

During negotiations for Korea's accession to the GPA in 1991-92, the

United States obtained Korea's commitment that the entities responsible for airport construction would be subject to GPA disciplines. However, soon after negotiations were concluded, Korea created another entity—the Korea Airport Construction Authority ("KOACA")—to manage procurement for IIA construction. In February of 1999, the Korean Government made another change to its airport procuring authority by changing KOACA into the Incheon International Airport Corporation (IIAC). Korea now asserts that, because KOACA and/or IIAC are not expressly listed as a covered entity in its GPA schedule of concessions, procurement for the IIA is not covered by the GPA.

In seeking to participate in the IIA project, U.S. suppliers have repeatedly faced discriminatory tendering practices that hamper their ability to compete effectively for related procurement contracts. These Korean Government practices include the following:

- Requiring that a firm hold four Korean licenses, including a manufacturing license, in order to be eligible to bid as a prime contractor, thereby precluding foreign firms that do not have a license to manufacture in Korea from bidding as a prime contractor;
- Requiring that foreign firms participate in a bid only as consortium members or subcontractors to local firms acting as the prime contractors; and
- Failing to provide effective procedures to enable suppliers to challenge alleged breaches of the GPA arising in the context of individual procurements.

U.S. Government officials sought to resolve these matters through representations to the Korean Government in bilateral and multilateral fora. Because Korea did not confirm that procurement for airport construction is subject to the GPA, on February 16, 1999, the United States requested consultations with Korea under WTO dispute settlement procedures. Consultations were held on March 17, 1999. The U.S. Government will take further steps necessary to resolve this matter.

B. Japan

The United States and Japan have concluded bilateral Government Procurement Agreements covering six key sectors: telecommunications, computers, construction, supercomputers, medical technology, and satellites. While Japan's implementation of some of these agreements, such as the Medical

Technology Agreement, has led to significant improvement in market access for U.S. firms, results to date under other agreements, such as the Computer, Construction, Telecommunications, and Supercomputer Agreements, have been highly disappointing. The Administration remains seriously concerned that the objectives of these agreements, which focus on the improvement of foreign firms' access to and expansion of sales in the Japanese public procurement market, are not being met. Further, in light of the Japanese Government's increased fiscal spending in public works and "21st century technologies," we believe that U.S. firms should have a fair opportunity to compete for these procurements in line with the obligations contained in our bilateral agreements. The United States has made clear our concerns to the Japanese Government with respect to those areas where we believe Japanese implementation could be improved. In addition, the U.S. Government has offered new proposals for generating progress in several areas, while proposing various ways in which the agreements can be made more effective. Our success to date in pursuing this agenda, however, has been limited, and further action is necessary in order to ensure that foreign firms have fair, open, and transparent access to Japanese markets. Particularly problematic are Japanese Government procurement practices related to computer goods and services and public works projects.

Japan—Market Access for Computer Products and Services: U.S. computer makers, global leaders in technology and performance, have long had a disproportionately low share of the Japanese public sector market as compared with their strong showing in the Japanese private sector. To address this fact, the United States and Japan concluded a bilateral agreement on government procurement of computers (covering computer hardware, software, and services) in 1992. Under this agreement, the Japanese Government agreed to institute changes to its procurement system based on the principles of non-discrimination, transparency, and fair and open competition, with the aim of expanding government purchases of foreign computer products and services. However, there is still much to be done in this sector to increase transparency, openness, and fairness. In addition, while there has been some sporadic increases in Japanese public procurement of foreign computer

products and services, the overall aim of the agreement has not been met on a sustained basis.

The U.S. Government continues to receive reports from U.S. industry of problems in Japanese Government procurement of computers, including unequal access to information, persistence of unreasonably low bids, and a lack of strong efforts by the Japanese Government to ensure that sole-sourcing procurements by government entities decrease significantly, as called for in our bilateral agreement. U.S. industry has also noted that even where bidding is open, Japanese purchasing agencies often evaluate bids in a way that encourages excessively low-priced bids. These factors have created an environment whereby U.S. computer companies enjoy only limited access to the Japanese Government procurement markets. An important result of these problems has been a steady, long-term decrease in the foreign share of the Japanese public sector Personal Computer ("PC") market since 1992 and a significant decline in the foreign share of the Japanese public sector mainframe and mid-range computer market in the last two years for which there is data. The next annual review of this agreement, covering 1997 data, is scheduled for May in Tokyo. Despite signs that there may have been an increase in Japanese Government purchases of foreign mainframe and mid-range computers in 1997, continuing poor performance of state-of-the-art foreign-made PCs, and the fact that foreign firms have continued to hold approximately 35 percent of Japan's overall private sector computer market over the last several years, are evidence that significant non-competitive forces are still at work in the Japanese public sector computer market. As a result, the U.S. Government remains committed to fully address discriminatory and non-transparent practices in this sector.

In light of the poor results under the agreement to date, lingering concerns over fairness and transparency, and rapid changes in technology in this sector, last August the U.S. Government presented the Japanese Government with a set of proposals devised to improve implementation of the agreement and bring its provisions into line with advances in technology. These include taking specific steps to further improve the bid evaluation process to give greater weight to technological innovation and other key non-price factors. *retch*

To date, the U.S. Government has been extremely disappointed with the

Japanese Government's reluctance to seriously consider these proposals, particularly since the result would be a more competitive procurement system and better value for Japanese Government entities. The U.S. Government continues to urge Japan to undertake further steps to ensure that the provisions of this agreement are fully implemented and that its objectives are met.

Japan—Market Access for Construction: American firms are well-known for their top-notch expertise in design/consulting and construction projects. Despite two bilateral agreements intended to enhance access to Japan's public works market, American companies continue to fare poorly and the objectives of the agreements are not being achieved. The 1991 Major Projects Arrangement is intended to familiarize foreign firms with Japan's public works market while the main purpose of the 1994 Public Works Agreement is to make bidding and contracting procedures more transparent and objective. The U.S. Government is seriously concerned by the fact that, at the June 1998 annual review, it was recognized that U.S. firms had won only \$50 million in contracts over the preceding year—less than one percent of Japan's \$250 billion public works market and only half of the \$100 million in contracts won the year before.

The United States has focused on two key areas that require serious attention in this sector—Japanese restrictions on the formation of joint ventures for construction projects and the very low number of design/consulting procurements open to foreign firms. Regarding joint venture formation for construction projects, the United States has pressed Japan to eliminate the "three-company rule," under which the Japanese Government limits to three the number of firms that can participate in a joint venture. In addition, the United States has asked Japan to allow companies, rather than procuring entities, to determine whether or not a supplier can bid as a solo bidder or as a member of a joint venture. To date, Japan has rejected these requests. The United States will continue to urge Japan to eliminate these restrictions, thereby promoting greater competition in this sector.

With regard to the low number of design/consulting procurements open to foreign firms, Japan's Construction Ministry recently has undertaken initiatives in response to U.S. concerns. These initiatives include allowing design/consulting firms greater freedom to partner on projects; combining design contracts in a way that would lead to

greater coverage of procurements by the agreements, thereby increasing opportunities for foreign firms; and contracting out all future design work (instead of conducting design "in-house"). The United States is encouraging other ministries to follow the Construction Ministry's lead and is monitoring closely these initiatives to see if they result in progress under the agreements.

The U.S. Government continues to urge Japan to take immediate, concrete steps in both the design/consulting and construction areas that will lead to increased business opportunities for American companies. The United States has made clear our expectation that progress be made before the next annual review of the public works agreements, which is tentatively scheduled for July 1999.

C. Germany

In April 1996, USTR identified Germany in the Title VII report for its failure to comply with market access procurement requirements in the heavy electrical equipment sector. The identification was based on irregularities in the procurement process for two separate steam turbine generator projects. In particular, the Title VII Report noted a "pervasive institutional problem" with respect to Germany's implementation of a remedies system for challenging procurement decisions. The imposition of trade sanctions, however, was delayed until September 30, 1996, because consultations with Germany suggested a resolution might be possible given additional time. On October 1, 1996, then-Acting USTR Barshefsky announced that the German Government had agreed to take steps to ensure open competition in the German heavy electrical equipment market, including reform of the government procurement remedies system as well as outreach, monitoring, and consultation measures. The United States did not, however, terminate the Title VII action at that time because legislation implementing reform of the procurement remedies system needed to be enacted.

In May 1998, the German parliament passed legislation requiring significant reforms in the German procurement system, including reforms with respect to bid challenge procedures. This legislation was signed and entered into effect on January 1, 1999. The Administration has advised the German Government that it will review the status of this Title VII identification on the basis of practical experience

demonstrating the effective implementation of this legislation.

III. Transparency in Government Procurement

Active support for early conclusion of a WTO Agreement on Transparency in Government Procurement is a key element of the Administration's ongoing efforts to promote the development of transparent procurement environments throughout the world. Drawing largely on proposals made by the United States, WTO Ministers agreed at the 1996 Singapore Ministerial Conference to establish the WTO Working Group on Transparency in Government Procurement. The Working Group's mandate is to: (1) conduct a study on transparency in government procurement practices; and (2) based on this study, develop elements for a multilateral agreement on transparency in government procurement.

Conclusion of a WTO agreement on transparency in government procurement will serve a wide range of important U.S. interests. It will help to establish a more stable and predictable business environment for U.S. exporters, even in markets where governments maintain "buy national" or other purchasing restrictions. It will also build on the "good governance" reforms that a growing number of countries have adopted in response to the international financial crisis, and the deeper structural impediments to efficient long-term growth and development.

In 1997 and 1998, the Working Group's initial study of WTO Members' general procurement policies and objectives revealed broad international agreement on many key principles. Based on this work and subsequent consultations, the Working Group is poised to move forward with negotiations on the elements of a transparency agreement. Those elements will likely include:

- Information on National Legislation and Procedures;
- Information on Procurement Opportunities;
- Information on Tendering and Qualification Procedures;
- Transparency of Decisions on Qualification;
- Transparency of Decisions on Contract Awards; and
- Domestic Review Procedures.

The United States and its Quad partners have urged that the Working Group seek to conclude these negotiations by the Third WTO Ministerial Conference, in late 1999.

IV. International Government Procurement Agreements

A. The WTO Agreement on Government Procurement ("GPA")

The GPA, which entered into force on January 1, 1996, is a "plurilateral" agreement included in Annex 4 to the WTO Agreement. As such, it is not part of the WTO's single undertaking, and its membership is limited to the 26 WTO members that signed the Agreement in Marrakesh or that subsequently acceded to it. The current Members are the United States, the member states of the European Union (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom), Aruba, Canada, Hong Kong, Israel, Japan, Liechtenstein, Norway, the Republic of Korea, Singapore, and Switzerland. Chinese Taipei, Iceland, and Panama are in the process of negotiating accession to the GPA, although by the terms of the GPA, Chinese Taipei must become a WTO member prior to GPA accession. In their protocols of accession to the WTO, Bulgaria, the Kyrgyz Republic, Latvia, Mongolia, and Slovenia have committed to pursue GPA accession.

In its report to the 1996 Singapore Ministerial Conference, the Committee on Government Procurement, which monitors the GPA, stated its intention to undertake an "early review" of the GPA starting in 1997. The review would be aimed at the implementation of Article XXIV:7(b) and (c) of the GPA, which call for further negotiations to achieve the following objectives:

- Simplification and improvement of the GPA, including, where appropriate, adaptation to advances in the area of information technology and streamlined procurement methods;
- Expansion of coverage of the GPA; and
- Elimination of discriminatory measures and practices which distort open procurement practices.

GPA Members have agreed that one of their principal objectives for the review of the Agreement is to promote expanded membership of the GPA by making the Agreement more accessible to non-members.

In the course of the review, many Members have also noted the importance of ensuring that the GPA's rules accommodate the use by governments of new information technologies and other innovations in government procurement procedures. Many governments now use electronic forms of publication for procurement notices and other documents to improve dissemination capabilities and lower

costs for both suppliers and governments. The United States believes that the GPA must accommodate such improvements in the operation of procurement systems. The United States and other Members have also recognized the potential for simplifying the Agreement's statistical reporting requirements, an issue that is of particular interest to members' sub-central procurement authorities and to other countries that may potentially be interested in acceding to the GPA.

The GPA establishes a procedure for monitoring members' implementing legislation. The United States has used this procedure to better understand and comment on procurement practices of concern to U.S. suppliers, such as the practices of Korea's airport construction authorities and the application of the EU "Utilities Directive."

B. Chapter 10 of the North American Free Trade Agreement ("NAFTA")

In Chapter 10 of the NAFTA, signatories agreed to open the majority of non-defense related federal procurement opportunities to competition from all North American suppliers. Because Mexico is not a member of the GPA, its participation in the NAFTA marked the first time that Mexico had committed to eliminate discriminatory government procurement practices. While differences exist between NAFTA Chapter 10 and the GPA (e.g., with respect to thresholds and sub-federal coverage), the principles of non-discrimination, fair and open competition, and transparency are established with equal force in both agreements.

In October 1998, agreement was reached by the delegations of Canada, Mexico, and the United States to the NAFTA Working Group on Government Procurement with respect to the subject of electronic transmission, pursuant to Article 1024(5) of the NAFTA. Particularly, the delegations agreed that the NAFTA Parties may publish invitations to participate for all procurements in either paper or electronic format, or both.

Recently, the Administration has received complaints from U.S. exporters that Mexico is not adhering to the NAFTA requirement that the time limit for the receipt of tenders must be open for a minimum time period that is consistent with Article 1012, which allows suppliers to prepare and submit meaningful tenders. Generally, the period for the receipt of tenders is to be no less than 40 days from the date of publication of a Request for Proposal. A 1997 study commissioned by Canada indicated that this problem is pervasive

in Mexican procurement procedures subject to the NAFTA. In the NAFTA Negotiating Group on Government Procurement, the United States has joined Canada in seeking clarification on this issue and in urging Mexico to ensure that its procurement authorities comply with the relevant NAFTA commitments.

C. Free Trade Area of the Americas ("FTAA")

The United States is presently involved in discussions for creating a new free trade area, the FTAA. As an active participant in the Negotiating Group on Government Procurement, and as the discussions involving government procurement is in the very early stages, the United States is generally interested in (1) concluding a text embodying the principles of transparency and due process in government procurement, leading to a recommendation for agreement at the October 1999 FTAA Ministerial meeting to implement the results of this work by December 1999; (2) achieving agreement on a set of commitments which will ensure non-discrimination in government procurement within a scope to be negotiated, to be implemented as part of the conclusion of the FTAA; and (3) achieving agreement on the basic elements of a common procurement reporting system.

V. Other Trade-Distorting Practices

A. Bribery and Corruption

Among the most consistent complaints the Administration receives from U.S. industry and labor representatives is that bribery and corruption compromise U.S. market access in many foreign markets. This is particularly true for big ticket infrastructure projects for which preparation of a bid package alone can cost millions of dollars. U.S. firms often find that they are bidding on projects with little or no certainty as to whether the offered technology and price are going to be the primary considerations in the award of contracts. Despite their concerns, however, many U.S. firms have in the past been hesitant about coming forward publicly with cases in which they have seen bribery and corruption influence contract awards, because of fears that they may experience a commercial backlash with respect to future contracts.

These circumstances call for government-to-government initiatives to root out bribery and corruption in international procurement markets. The Administration is aggressively pursuing this objective in a wide range of

international fora. The recent entry into force of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, which obligates its 34 parties to impose criminal sanctions on the offering and payment of bribes in procurement markets and other international commercial transactions, represents a major step forward. The United States and 33 other countries have signed the OECD Convention.

Furthermore, twenty-five members of the Organization of American States ("OAS"), including the United States, have signed the OAS Inter-American Convention Against Corruption, which obligates its parties to impose criminal sanctions, and provides for international legal cooperation in combating corrupt practices in international business transactions. The Administration looks forward to early ratification of the OAS Convention.

B. Offsets in Defense Trade

When purchasing defense systems from U.S. defense prime contractors, many U.S. trading partners require compensation in the form of offsets as a condition of purchase in either government-to-government or commercial sales of defense articles and/or defense services. Offsets include mandatory co-production, licensed production, subcontractor production, technology transfer, countertrade, and foreign investment. Offsets may be directly related to the weapon system being exported, or they may take the form of compensation unrelated to the exported item, such as foreign investment or countertrade.

Prime contractors view offset arrangements as a necessity for success in the international marketplace. However, offset requirements cause prime contractors to select subcontractors based on their being located in the country requiring the offset versus best value, thereby adversely affecting potential U.S. subcontractors. Originally designed to enhance allied national security, offsets increasingly have become economic development tools for the countries that demand them. Furthermore, there has been a recent trend to fulfill offset requirements with non-defense products versus defense products.

Charlene Barshefsky,

United States Trade Representative.

[FR Doc. 99-11930 Filed 5-11-99; 8:45 am]

BILLING CODE 3190-01-P

DEPARTMENT OF TRANSPORTATION

Amtrak Reform Council; Notice of Meeting

AGENCY: Amtrak Reform Council.

ACTION: Notice of Meeting.

SUMMARY: As provided in Section 203 of the Amtrak Reform and Accountability Act of 1997, the Amtrak Reform Council (ARC) gives notice of a meeting of the Council. The Council will discuss its 1999 work program and schedule and consider action on a conflict of interest guidelines for non-government members of the Council. The meeting will also consider matters raised by individual Council members. The Council's business meeting will precede a one-day seminar on May 18, 1999, sponsored by the Council on Intercity Rail Passenger Services—Past, Present and Future. (FR 5/6/99).

DATES: The Council meeting is scheduled from 4:30 p.m. to 6:30 p.m. on Monday, May 17, 1999.

ADDRESSES: The meeting will be held in Room 9210, Department of Transportation, Nassif Building, 400 7th St. SW Washington, DC. Persons in need of special arrangements should contact the person listed below.

FOR FURTHER INFORMATION CONTACT: Deirdre O'Sullivan, Amtrak Reform Council, Room 7105, JM-ARC, 400 Seventh Street, SW, Washington, DC 20590, or by telephone at (202) 366-0591; FAX: 202-493-2061.

SUPPLEMENTARY INFORMATION: The ARC was created by the Amtrak Reform and Accountability Act of 1997 (ARAA), as an independent commission, to evaluate Amtrak's performance and to make recommendations to Amtrak for achieving further cost containment, productivity improvements, and financial reforms. In addition, the ARAA requires: that the ARC monitor cost savings resulting from work rules established under new agreements between Amtrak and its labor unions; that the ARC provide an annual report to Congress that includes an assessment of Amtrak's progress on the resolution of productivity issues; and that after two years the ARC has the authority to determine whether Amtrak can meet certain financial goals specified under the ARAA and, if not, to notify the President and the Congress.

The ARAA provides that the ARC consist of eleven members, including the Secretary of Transportation and ten others nominated by the President or Congressional leaders. Each member is to serve a five year term.