

financial resources) is minimized, collection instruments are clearly understood, and the impact of collection requirements on respondents can be properly assessed. Currently, the Pension and Welfare Benefits Administration is soliciting comments concerning the proposed extension of a currently approved collection of information, Class Exemption 77-4 for certain transactions between investment companies and employee benefit plans. A copy of the proposed information collection request (ICR) can be obtained by contacting the person listed below in the **ADDRESSES** section.

**DATES:** Written comments must be submitted on or before September 11, 2001.

**ADDRESSES:** Gerald B. Lindrew, Office of Policy and Research, U.S. Department of Labor, Pension and Welfare Benefits Administration, 200 Constitution Avenue, NW., Room N-5647, Washington, DC 20210. Telephone: (202) 219-4782; FAX (202) 219-4745. These are not toll-free numbers.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

Prohibited Transaction Class Exemption 77-4 permits the purchase and sale by an employee benefit plan of shares of a registered, open-end investment company (mutual fund) when a fiduciary with respect to the plan (e.g., investment manager) is also the investment advisor for the investment company. In the absence of the exemption, certain aspects of these transactions might be prohibited by section 406 of the Employee Retirement Income Security Act (ERISA).

**II. Desired Focus of Comments**

The Department of Labor is particularly interested in comments which:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or

other forms of information technology, e.g., permitting electronic submission of responses.

**III. Current Actions**

Without the relief provided by this exemption, an open-end mutual fund would be unable to sell shares to or purchase shares from a plan when the fiduciary with respect to the plan is also the investment advisor for the mutual fund. As a result, plans would be compelled to liquidate their existing investments involving such transactions and to amend their plan documents to establish new investment structures and policies.

In order to insure that the exemption is not abused and that the rights of participants and beneficiaries are protected, the Department has included in the exemption three basic disclosure requirements. The first requires at the time of the purchase or sale of such mutual fund shares that the plan's independent fiduciary receive a copy of the current prospectus issued by the open-end mutual fund and a full and detailed written statement of the investment advisory fees charges to or paid by the plan and the open-end mutual fund to the investment advisor. The second requires that the independent fiduciary approve in writing such purchases and sales. The third requires that the independent fiduciary, once notified of changes in the fees, re-approve in writing the purchase and sale of mutual fund shares.

*Type of Review:* Extension of a currently approved collection.

*Agency:* Department of Labor, Pension and Welfare Benefits Administration.

*Title:* Prohibited Transaction Class Exemption 77-4 for Certain Transactions Between Investment Companies and Employee Benefit Plans.

*OMB Numbers:* 1210-0049.

*Affected Public:* Individuals or households; Business or other for-profit; Not-for-profit institutions.

*Total Respondents:* 431.

*Frequency of Response:* On occasion.

*Total Responses:* 82,000.

*Average Time Per Response:* 5 minutes.

*Total Annual Burden:* 7,000 hours.

Comments submitted in response to this notice will be summarized and/or included in the request for Office of Management and Budget approval of the information collection request; they will also become a matter of public record.

Dated: July 9, 2001.

**Gerald B. Lindrew,**

*Deputy Director, Pension and Welfare Benefits Administration, Office of Policy and Research.*

[FR Doc. 01-17551 Filed 7-12-01; 8:45 am]

**BILLING CODE 4510-29-P**

**DEPARTMENT OF LABOR**

**Pension and Welfare Benefits Administration**

**Proposed Extension of Information Collection Request Submitted for Public Comment and Recommendations; Alternative Method of Compliance for Certain SEPs Pursuant to 29 CFR 2520.104-49**

**ACTION:** Notice.

**SUMMARY:** The Department of Labor, as part of its continuing effort to reduce paperwork and respondent burden conducts a preclearance consultation program to provide the general public and other federal agencies with an opportunity to comment on proposed and continuing collections of information in accordance with the Paperwork Reduction Act of 1995 (PRA 95) (44 U.S.C. 3506(c)(2)(A)). This program helps to ensure that requested data can be provided in the desired format, reporting burden (time and financial resources) is minimized, collection instruments are clearly understood, and the impact of collection requirements on respondents can be properly assessed. Currently, the Pension and Welfare Benefits Administration is soliciting comments concerning the proposed extension of the collection of information included in the alternative method of compliance for certain simplified employee pensions regulation (29 CFR 2520.104-49). A copy of the proposed information collection request (ICR) can be obtained by contacting the office listed below in the addresses section of this notice.

**DATES:** Written comments must be submitted to the office listed in the addressee section below on or before September 11, 2001.

**ADDRESSES:** Gerald B. Lindrew, Office of Policy and Research, U.S. Department of Labor, Pension and Welfare Benefits Administration, 200 Constitution Avenue, NW., Room N-5647, Washington, DC 20210. Telephone: (202) 219-4782, FAX (202) 219-4782 (these are not toll-free numbers).

**SUPPLEMENTARY INFORMATION:**

## I. Background

Section 110 of the Employment Retirement Income Security Act (ERISA) authorizes the Secretary to prescribe alternative methods of compliance with the reporting and disclosure requirements of Title I of ERISA for pension plans. Simplified employee pensions (SEPs) are established in section 408(k) of the Internal Revenue Code (Code). Although SEPs are primarily a development of the Code and subject to its requirements, SEPs are also pension plans subject to the reporting and disclosure requirements of Title I of ERISA.

The Department previously issued a regulation under the authority of section 110 of ERISA (29 CFR 2520.104-49) that intended to relieve sponsors of certain SEPs from ERISA's Title I reporting and disclosure requirements by prescribing an alternative method of compliance. These SEPs are, for purposes of this Notice, referred to as "non-model" SEPs because they exclude (1) those SEPs which are created through use of Internal Revenue Service (IRS) Form 5305-SEP, and (2) those SEPs in which the employer limits or influences the employees' choice to IRAs into which employers' contributions will be made and on which participant withdrawals are prohibited. The disclosure requirements in this regulation were developed in conjunction with the Internal Revenue Service (IRS Notice 81-1). Accordingly, sponsors of "non-model" SEPs that satisfy the limited disclosure requirements of the regulation are relieved from otherwise applicable reporting and disclosure requirements under Title I of ERISA, including the requirements to file annual reports (Form 5500 Series) with the Department, and to furnish summary plan descriptions and summary annual reports to participants and beneficiaries.

This ICR includes four separate disclosure requirements. First, at the time an employee becomes eligible to participate in the SEP, the administrator of the SEP must furnish the employee in writing specific and general information concerning the SEP; a statement on rates, transfers and withdrawals; and a statement on tax treatment. Second, the administrator of the SEP must furnish participants with information concerning any amendments. Third, the administrator must notify participants of any employer contributions made to the IRA. Fourth, in the case of a SEP that provides integration with Social Security, the administrator shall provide participants with statement on Social

Security taxes and the integration formula used by the employer.

## II. Desired Focus of Comments

The Department of Labor is particularly interested in comments which:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Enhance the quality, utility, and clarity of the information to be collected;
- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

## III. Current Actions

The existing collection of information should be continued because the alternative disclosure arrangement provided through this regulation relieves sponsors of "non-model" SEPs of most of the reporting and disclosure requirements under Title I of ERISA. Also, the disclosure requirements set forth in this regulation, insure that administrators of "non-model" SEPs provide participants with specific written information concerning SEPs.

*Type of Review:* Extension.

*Agency:* Pension and Welfare Benefits Administration, Department of Labor.

*Title:* Alternative Method of Compliance for Certain SEPs pursuant to 29 CFR 2520.104-49.

*OMB Numbers:* 1210-0034.

*Affected Public:* Individuals or households; Business or other for-profit; Not-for-profit institutions.

*Total Respondents:* 460.

*Total Responses:* 20,700.

*Frequency of Response:* On occasion.

*Average Time per Response:* 35 minutes.

*Estimated Total Annual Burden:* 2,000 hours.

*Total Burden Cost (operating/maintenance):* \$7,900.

Comments submitted in response to this comment request will be summarized and/or included in the request for Office of Management and Budget approval of the information collection request; they will also become a matter of public record.

Dated: July 9, 2001.

**Gerald B. Lindrew,**

*Deputy Director, Pension and Welfare Benefits Administration, Office of Policy and Research.*

[FR Doc. 01-17552 Filed 7-12-01; 8:45 am]

BILLING CODE 4510-29-P

## LEGAL SERVICES CORPORATION

### Notice of Availability of 2002 Competitive Grant Funds for Service Area MI-1, MI-2, MI-3, MI-4, MI-5, MI-6, MI-7, MI-8, MI-9, MI-10, and MI-11 in Michigan

**AGENCY:** Legal Services Corporation.

**ACTION:** Solicitation of Proposals for the Provision of Civil Legal Services for Basic Field-General service areas MI-1, MI-2, MI-3, MI-4, MI-5, MI-6, MI-7, MI-8, MI-9, MI-10, and MI-11 in Michigan.

**SUMMARY:** The Legal Services Corporation (LSC) is the national organization charged with administering federal funds provided for civil legal services to the poor. Congress has adopted legislation requiring LSC to utilize a system of competitive bidding for the award of grants and contracts.

LSC hereby announces that it is reopening competition for 2002 competitive grant funds and is soliciting grant proposals from interested parties who are qualified to provide effective, efficient and high quality civil legal services to the eligible client population in the Basic Field General service areas in Michigan. The exact amount of congressionally appropriated funds and the date and terms of their availability for calendar year 2002 are not known, although it is anticipated that the funding amount will be similar to calendar year 2001 funding. LSC has canceled the competition and rejected all bids for Michigan service areas MI-12, MI-13, MI-14, and MI-15.

**DATES:** Request for Proposals(RFP) are available from [www.ain.lsc.gov](http://www.ain.lsc.gov). A Notice of Intent to Compete is due by 5:00 p.m. EDT, July 30, 2001. Grant proposals must be received at LSC offices by 5:00 p.m. EDT, September 4, 2001.

**ADDRESSES:** Legal Services Corporation—Competitive Grants, 750 First Street NE., 10th Floor, Washington, DC 20002-4250.

**FOR FURTHER INFORMATION CONTACT:** Jennifer Bateman, Grants Coordinator, Office of Program Performance, (202) 336-8835.

**SUPPLEMENTARY INFORMATION:** LSC is seeking proposals from non-profit