DEPARTMENT OF JUSTICE

Drug Enforcement Administration

[Docket No. DEA–326F]

Established Assessment of Annual Needs for the List I Chemicals Ephedrine, Pseudoephedrine, and Phenylpropanolamine for 2010

AGENCY: Drug Enforcement Administration (DEA), Justice.

ACTION: Notice of Assessment of Annual Needs for 2010.

SUMMARY: This notice establishes the initial 2010 Assessment of Annual Needs for certain List I chemicals in accordance with the Combat Methamphetamine Epidemic Act of 2005 (CMEA), enacted on March 9, 2006.

DATES: *Effective Date:* November 20, 2009.

FOR FURTHER INFORMATION CONTACT: Christine A. Sannerud, Ph.D., Chief, Drug and Chemical Evaluation Section, Drug Enforcement Administration, 8701 Morrissette Drive, Springfield, Virginia 22152, *Telephone:* (202) 307–7183.

SUPPLEMENTARY INFORMATION: Section 713 of the Combat Methamphetamine Epidemic Act of 2005 (Title VII of Pub. L. 109–177) (CMEA) amended Section 306 of the Controlled Substances Act (CSA) (21 U.S.C. 826) by adding ephedrine, pseudoephedrine, and phenylpropanolamine to existing language to read as follows: ''The Attorney General shall determine the total quantity and establish production quotas for each basic class of controlled substance in schedules I and II and for ephedrine, pseudoephedrine, and phenylpropanolamine to be manufactured each calendar year to provide for the estimated medical, scientific, research, and industrial needs of the United States, for lawful export requirements, and for the establishment and maintenance of reserve stocks.'' Further, section 715 of the CMEA amended 21 U.S.C. 952 ''Importation of Controlled Substances'' by adding the same List I chemicals to the existing language in paragraph (a), and by adding a new paragraph (d) to read as follows:

(a) Controlled substances in schedule I or II and narcotic drugs in schedule III, IV, or V; exceptions

It shall be unlawful to import into the customs territory of the United States from any place outside thereof (but within the United States), or to import into the United States from any place outside thereof, any controlled substance in schedule I or II of subchapter I of this chapter, or any narcotic drug in schedule III, IV, or V of subchapter I of this chapter, or ephedrine, pseudoephedrine, and phenylpropanolamine, except that—

(1) such amounts of crude opium, poppy straw, concentrate of poppy straw, and coca leaves, and of ephedrine, pseudoephedrine, and phenylpropanolamine, as the Attorney General finds to be necessary to provide for medical, scientific, or other legitimate purposes * * * may be so imported under such regulations as the Attorney General shall prescribe.

(d)(1) With respect to a registrant under section 958 who is authorized under subsection (a)(1) to import ephedrine, pseudoephedrine, or phenylpropanolamine, at any time during the year the registrant may apply for an increase in the amount of such chemical that the registrant is authorized to import, and the Attorney General may approve the application if the Attorney General determines that the approval is necessary to provide for medical, scientific, or other legitimate purposes regarding the chemical.

Editor's Note: This excerpt of the amendment is published for the convenience of the reader. The official text is published at 21 U.S.C. 952(a) and (d)(1).

Background and Legal Authority

Section 713 of the CMEA of 2005 (Title VII of Pub. L. 109–177) amended section 306 of the CSA (21 U.S.C. 826) to require that the Attorney General establish quotas to provide for the annual needs for ephedrine, pseudoephedrine, and phenylpropanolamine. Section 715 of the CMEA amended 21 U.S.C. 952 by adding ephedrine, pseudoephedrine, and phenylpropanolamine to the existing language concerning importation of controlled substances.

The 2010 Assessment of Annual Needs represents those quantities of ephedrine, pseudoephedrine, and phenylpropanolamine which may be manufactured domestically and/or imported into the United States in 2010 to provide adequate supplies of each chemical for: The estimated medical, scientific, research, and industrial needs of the United States; lawful export requirements; and the establishment and maintenance of reserve stocks.

The responsibility for establishing the assessment has been delegated to the Administrator of the DEA by 28 CFR 0.100. The Administrator, in turn, has redelegated this function to the Deputy Administrator, pursuant to 28 CFR 0.104.

On September 14, 2009, a notice entitled, ''Assessment of Annual Needs for the List I Chemicals Ephedrine, Pseudoephedrine, and Phenylpropanolamine for 2010'' was published in the **Federal Register** (74 FR 47021). That notice proposed the 2010 Assessment of Annual Needs for ephedrine (for sale), ephedrine (for conversion), pseudoephedrine (for sale), phenylpropanolamine (for sale) and phenylpropanolamine (for conversion). All interested persons were invited to comment on or object to the assessments on or before October 14, 2009.

Comments Received

DEA did not receive any comments to the Assessment of Annual Needs for ephedrine (for sale), ephedrine (for conversion), pseudoephedrine (for sale), phenylpropanolamine (for sale) and phenylpropanolamine (for conversion). DEA is finalizing the assessments for these List I chemicals based on information contained in additional applications for 2010 import, manufacturing and procurement quotas provided by DEA registered importers and manufacturers whose quota applications were received as of October 21, 2009. DEA is providing the data used in developing the established assessments for each of the listed chemicals. DEA also notes that the Assessment of Annual Needs may be adjusted at a later date pursuant to 21 CFR 1315.13.

Underlying Data and DEA's Analysis

In determining the final 2010 assessments, DEA has considered the total net disposals (i.e., sales) of the List I chemicals for the current and preceding two years, actual and estimated inventories, projected demand (2010), industrial use, and export requirements from data provided by DEA registered manufacturers and importers in procurement quota applications (DEA 250), from manufacturing quota applications (DEA 189), and from import quota applications (DEA 488). [1]

DEA further considered trends as derived from information provided in applications for import, manufacturing, and procurement quotas and in import and export declarations. DEA notes that the inventory, acquisitions (purchases) and disposition (sales) data provided by DEA registered manufacturers and importers reflects the most current information available.

Ephedrine Data

[1] Applications and instructions for procurement, import and manufacturing quotas can be found at *http://www.deadiversion.usdoj.gov/quotas/quota_apps.htm.*

EPHEDRINE (FOR SALE) DATA FOR 2010 ASSESSMENT OF ANNUAL NEEDS

[Kilograms]

Ephedrine	2007	2008	2009	2010 Request
Sales * (DEA 250)	2,743	2,508	2,431	2,861
Imports ** (DEA 488)	9,595	1,686	2,160	1,552
Export Declarations (DEA 486)	168	91	10	n/a
Inventory * (DEA 250)	1,332	592	181	n/a
IMS *** (NSP)	1,235	1,460	n/a	n/a

* Reported sales and inventory from applications for 2010 procurement quotas (DEA 250).
** Reported imports from applications for 2010 import quotas (DEA 488).
*** IMS Health, IMS National Sales Perspectives™, January 2007 to December 2008, Retail and Non-Retail Channels, Data Extracted October 21, 2009.

Ephedrine Analysis

DEA calculated the established 2010 Assessment of Annual Needs for ephedrine using the calculation developed to determine the 2009 Assessment of Annual Needs. This calculation considers the criteria defined in 21 U.S.C. 826: estimated medical, scientific, research, and industrial needs of the United States; lawful export requirements; and the establishment and maintenance of reserve stocks.

As of October 21, 2009, DEA registered manufacturers of dosage form products containing ephedrine requested the authority to purchase a total of 2,861 kg ephedrine (for sale) in 2010. DEA registered manufacturers of ephedrine reported sales totaling approximately 2,508 kg in 2008 and 2,431 kg in 2009; this represents a 3% decrease in sales reported by these firms from 2008 to 2009. Additionally, exports of ephedrine products from the United States as reported on export declarations (DEA 486) totaled 91 kg in 2008 and 10 kg in 2009; this represents a 90% decrease from levels observed in 2008. The average of the 2008 and 2009 exports of ephedrine products is approximately 51 kg. DEA also considered information on trends in the national rate of net disposals from sales data provided by IMS Health's National Sales Perspective™ (NSP) database. IMS NSP data reported the average sales volume of ephedrine for the calendar years 2007 and 2008 to be approximately 1,348 kg. DEA notes that the 2009 sales figure reported by manufacturers (2,431 kg) is higher than the average sales reported by IMS for the previous two years (1,348 kg). This is expected because a manufacturer's reported sales include quantities which are necessary to provide reserve stocks for distributors and retailers. DEA, in considering the manufacturer's reported sales, thus believes that 2,431 kg fairly represents the U.S. sales of ephedrine for 2010 and that 51 kg fairly represents the export requirements of ephedrine.

For the establishment and maintenance of reserve stocks, DEA notes that 21 CFR 1315.24 allows for an inventory allowance (reserve stock) of 50% of a manufacturer's estimated sales. DEA also considered the estimated 2009 year end inventory as reported by DEA registrants in determining the inventory allowance.

DEA calculated the ephedrine (for sale) assessment by the following methodology:

2009 sales + reserve stock + export requirement − existing inventory = AAN

2,431 + (50%*2,431) + 51 − 181 = 3,517 kg ephedrine (for sale) for 2010

This calculation suggests that DEA's Assessment of Annual Needs for ephedrine should be established as 3,600 kg. Accordingly, DEA is establishing the 2010 Assessment of Annual Needs for ephedrine (for sale) at 3,600 kg.

Phenylpropanolamine (for Sale) Data

PHENYLPROPANOLAMINE (FOR SALE) DATA FOR 2010 ASSESSMENT OF ANNUAL NEEDS

[Kilograms]

Phenylpropanolamine (for sale)	2007	2008	2009	2010 Request
Sales * (DEA 250)	3,770	4,274	4,638	6,288
Imports ** (DEA 488)	73	79	134	263
Export Declarations (DEA 486)	1,002	0	3	n/a
Inventory * (DEA 250)	3,597	2,093	596	n/a

* Reported sales and inventory from applications for 2010 procurement quotas (DEA 250) received as of October 21, 2009.
** Reported imports from applications for 2010 import quotas (DEA 488) received as of October 21, 2009.

Phenylpropanolamine (for Sale) Analysis

DEA utilized the same general methodology and calculation to establish the assessment for phenylpropanolamine (for sale) as was described for the assessment of ephedrine (for sale), above.

As of October 21, 2009, DEA registered manufacturers of dosage form products containing phenylpropanolamine requested the authority to purchase 6,288 kg phenylpropanolamine (for sale) in 2010. DEA registered manufacturers of phenylpropanolamine reported sales totaling approximately 4,274 kg in 2008 and 4,638 kg in 2009; this represents an 8% increase in sales reported by these firms from 2008 to 2009. Additionally, exports of phenylpropanolamine products from the U.S. as reported on export declarations (DEA 486) totaled 0 kg in 2008 and 3 kg in 2009; this represents a 3 kg increase from levels observed in 2008. The average of the 2008 and 2009 exports of phenylpropanolamine products is approximately 2 kg. DEA thus believes that 4,638 kg fairly represents the U.S. sales of phenylpropanolamine for 2010 and that 2 kg fairly represents the export requirements of phenylpropanolamine.

DEA notes that phenylpropanolamine is sold primarily as a veterinary product for the treatment for canine incontinence and is not approved for human consumption. IMS Health's NSP Data does not capture sales of phenylpropanolamine to these channels and is therefore not included.

DEA calculated the phenylpropanolamine (for sale) assessment by the following methodology:

2009 sales + reserve stock + export requirement − existing inventory = AAN

4,638 + (50%*4,638) + 2 − 596 = 6,363 kg phenylpropanolamine (for sale) for 2010

This calculation suggests that DEA's 2010 Assessment of Annual Needs for phenylpropanolamine (for sale) should be established as 6,400 kg. Accordingly, DEA is establishing the 2010 Assessment of Annual Needs for phenylpropanolamine (for sale) at 6,400 kg.

Pseudoephedrine (for Sale) Data

PSEUDOEPHEDRINE (FOR SALE) DATA FOR 2010 ASSESSMENT OF ANNUAL NEEDS

[Kilograms]

Pseudoephedrine (for sale)	2007	2008	2009	2010 Request
Sales * (DEA 250)	238,608	223,196	286,516	225,116
Sales * (DEA 189)	100,300	64,781	33,600	32,760
Imports ** (DEA 488)	232,822	170,995	267,808	233,569
Export Declarations (DEA 486)	42,132	47,194	25,526	n/a
Inventory * (DEA 250)	135,097	119,515	62,748	n/a
IMS *** (NSP)	180,204	149,159	n/a	n/a

* Reported sales and inventory from applications for 2010 procurement quotas (DEA 250) and manufacturing quotas (DEA 189) received as of October 21, 2009.

** Reported imports from applications for 2010 import quotas (DEA 488) received as of October 21, 2009.

*** IMS Health, IMS National Sales Perspectives™, January 2007 to December 2008, Retail and Non-Retail Channels, Data Extracted October 21, 2009.

Pseudoephedrine (for Sale) Analysis

DEA utilized the same general methodology and calculations to establish the assessment for pseudoephedrine (for sale) as were described for the assessment of ephedrine (for sale), above.

As of October 21, 2009, DEA registered manufacturers of dosage form products containing pseudoephedrine requested the authority to purchase 225,116 kg pseudoephedrine. DEA registered manufacturers of pseudoephedrine reported sales totaling approximately 223,196 kg in 2008 and 286,516 kg in 2009; this represents a 22% increase in sales reported by these firms from 2008 to 2009. During the same period exports of pseudoephedrine products from the U.S. as reported on export declarations (DEA 486) totaled 47,194 kg in 2008 and 25,526 kg in 2009; this represents a 54% decrease from levels observed in 2008. The average of the 2008 and 2009 exports is 36,360 kg. Additionally, DEA considered information on trends in the national rate of net disposals from sales data provided by IMS Health. IMS NSP data reported the average retail sales volume of pseudoephedrine for the calendar years 2007 and 2008 to be approximately 164,682 kg. DEA thus believes that 286,516 kg of sales reported by manufacturers fairly represents the U.S. sales of pseudoephedrine for 2010 and that 36,360 kg fairly represents the export requirements of pseudoephedrine. DEA notes that manufacturer reported sales for 2009 (286,516 kg) are higher than the average retail sales reported by IMS for the previous two years (164,682 kg). This is expected because a manufacturer's reported sales include quantities which are necessary to provide reserve stocks for distributors and retailers.

DEA calculated the pseudoephedrine (for sale) assessment by the following methodology:

2009 sales + reserve stock + export requirement − existing inventory = AAN

286,516 + (50%*286,516) + 36,360 − 62,748 = 403,386 kg pseudoephedrine (for sale) for 2010.

This calculation suggests that DEA's 2010 Assessment of Annual Needs for pseudoephedrine (for sale) should be established at 404,000 kg. Accordingly, DEA is establishing the 2010 Assessment of Annual Needs for pseudoephedrine (for sale) at 404,000 kg.

Phenylpropanolamine (for Conversion) Data

PHENYLPROPANOLAMINE (FOR CONVERSION) DATA FOR 2010 ASSESSMENT OF ANNUAL NEEDS

[Kilograms]

Phenylpropanolamine (for conversion)	2007	2008	2009	2010 Request
Sales * (DEA 250)	3,621	10,834	13,582	14,900
Imports ** (DEA 488)	1,000	3,225	6,514	7,108
Export Declarations (DEA 486)	0	0	0	n/a
Inventory * (DEA 250)	3,581	5,533	4,103	n/a
APQ Amphetamine ***	17,000	22,000	22,000	n/a

* Reported sales and inventory from applications for 2010 procurement quotas (DEA 250) received as of October 21, 2009.

** Reported imports from applications for 2010 import quotas (DEA 488) received as of October 21, 2009.

*** Amphetamine Aggregate Production Quota History *http://www.deadiversion.usdoj.gov/quotas/quota_history.htm.*

Phenylpropanolamine (for Conversion) Analysis

As of October 21, 2009, DEA registered manufacturers of phenylpropanolamine (for conversion) requested the authority to purchase a total of 14,900 kg phenylpropanolamine for the manufacture of amphetamine. DEA registered manufacturers of phenylpropanolamine reported sales of phenylpropanolamine totaling approximately 10,834 kg in 2008 and 13,582 kg in 2009; this represent a 20% increase in sales reported by these firms from 2008 to 2009. There were no reported exports of phenylpropanolamine (for conversion). DEA has not received any requests to synthesize phenylpropanolamine in 2010. DEA has concluded that the 2009 sales of phenylpropanolamine (for conversion), 13,582 kg, fairly represents U.S. requirements for 2010 and zero kg fairly represents the export requirements of phenylpropanolamine (for conversion).

Phenylpropanolamine is used in the production of legitimate amphetamine products. DEA has established an Aggregate Production Quota (APQ) for amphetamine of 22,000 kg for 2009. DEA notes amphetamine is primarily manufactured by the conversion of the schedule II controlled substance phenylacetone to amphetamine. DEA did not consider this alternative synthesis route in the 2009 Assessment of Annual Needs for phenylpropanolamine (for conversion).

DEA calculated the phenylpropanolamine (for conversion) for the manufacture of amphetamine as follows:

(2009 sales) + reserve stock + export requirement − inventory = AAN

(13,582) + 50%*(13,582) + 0 − 4,103 = 16,270 kg PPA (for conversion) for 2010

This calculation suggests that DEA's 2010 Assessment of Annual Needs for phenylpropanolamine (for conversion) should be established at 16,500 kg. Accordingly, DEA is establishing the 2010 Assessment of Annual Needs for phenylpropanolamine (for conversion) at 16,500 kg.

Ephedrine (for Conversion) Data

EPHEDRINE (FOR CONVERSION) DATA FOR 2010 ASSESSMENT OF ANNUAL NEEDS

[Kilograms]

Ephedrine (for conversion)	2007	2008	2009	2010 Request
Sales * (DEA 250)	99,622	64,522	40,403	40,646
Imports ** (DEA 488)	99,594	64,128	39,897	40,000
Inventory * (DEA 250)	13	160	254	n/a
APQ Methamphetamine ***	3,130	3,130	3,130	n/a

* Reported sales and inventory from applications for 2010 procurement quotas (DEA 250) and manufacturing quotas (DEA 189) received as of October 21, 2009.

** Reported imports from applications for 2010 import quotas (DEA 488) received as of October 21, 2009.

*** Methamphetamine Aggregate Production Quota History *http://www.deadiversion.usdoj.gov/quotas/quota_history.htm.*

Ephedrine (for Conversion) Analysis

As of October 21, 2009, DEA registered manufacturers of ephedrine (for conversion) requested the authority to purchase a total of 40,646 kg ephedrine (for conversion) for the manufacture of two substances: methamphetamine and pseudoephedrine.

DEA considered the ephedrine (for conversion) requirements for the manufacture of methamphetamine and pseudoephedrine. DEA has determined that the established assessments for the manufacture of these two substances are the best indicators of the need for ephedrine (for conversion). The assessment of need for methamphetamine was determined by DEA as the Aggregate Production Quota (APQ) for methamphetamine. DEA determined that the estimated sales of pseudoephedrine, as referenced in the Assessment of Annual Needs (AAN) for pseudoephedrine, represents the need for pseudoephedrine. Reported sales of ephedrine (for conversion) are included as reference to DEA's methodology.

DEA further considered the reported conversion yields of these substances. DEA registered manufacturers reported a conversion yield of 39% for the synthesis of methamphetamine from ephedrine. DEA cannot disclose the conversion yield for the synthesis of pseudoephedrine because this information is proprietary to the one manufacturer involved in this type of manufacturing.

DEA calculated the ephedrine (for conversion) assessment by the following methodology:

methamphetamine requirement + pseudoephedrine requirement = AAN

DEA calculated the ephedrine (for conversion) requirement for the manufacture of methamphetamine as follows:

(2009 APQ methamphetamine/39% yield) + reserve stock − inventory = ephedrine (for manufacture of methamphetamine)

(3,130/39% yield) + 50%*(3,130/39% yield) − 46 = 11,993 kg

The calculation for the ephedrine (for conversion) requirement for the manufacture of pseudoephedrine leads to a result of 63,157 kg. DEA cannot provide the details of the calculation because this would reveal the conversion yield for the synthesis of pseudoephedrine, which is proprietary to the one manufacturer involved in this type of manufacturing. Therefore, the assessment for ephedrine was determined by the sum total of the ephedrine (for conversion) requirements as described by the following methodology:

methamphetamine requirement + pseudoephedrine requirement = AAN

11,993 + 63,157 = 75,150 kg ephedrine (for conversion) for 2010

This calculation suggests that DEA's 2010 Assessment of Annual Needs for ephedrine (for conversion) should be established at 75,000 kg. Accordingly, DEA is establishing the 2010 Assessment of Annual Needs for ephedrine (for conversion) at 75,000 kg.

Conclusion

DEA did not receive any comments on its Assessment of Annual Needs for ephedrine (for sale), ephedrine (for conversion), pseudoephedrine (for sale), phenylpropanolamine (for sale) and phenylpropanolamine (for conversion). DEA is finalizing the assessments for these List I chemicals based on information contained in additional applications for 2010 import, manufacturing and procurement quotas provided by DEA registered importers

and manufacturers whose quota applications were received as of October 21, 2009.

Therefore, under the authority vested in the Attorney General by Section 306 of the CSA (21 U.S.C. 826), and delegated to the Administrator of the DEA by 28 CFR 0.100, and redelegated to the Deputy Administrator pursuant to 28 CFR 0.104, the Deputy Administrator hereby orders that the 2010 Assessment of Annual Needs for ephedrine, pseudoephedrine, and phenylpropanolamine, expressed in kilograms of anhydrous acid or base, be established as follows:

List I chemical	Established 2010 assessment of annual needs
Ephedrine (for sale)	3,600
Phenylpropanolamine (for sale)	6,400
Pseudoephedrine (for sale)	404,000
Phenylpropanolamine (for conversion)	16,500
Ephedrine (for conversion)	75,000

The Office of Management and Budget has determined that notices of quotas are not subject to centralized review under Executive Order 12866.

This action does not preempt or modify any provision of state law; nor does it impose enforcement responsibilities on any state; nor does it diminish the power of any state to enforce its own laws. Accordingly, this action does not have any federalism implications warranting the application of Executive Order 13132.

The Deputy Administrator hereby certifies that this action will not have a significant economic impact upon a substantial number of small entities whose interests must be considered under the Regulatory Flexibility Act, 5 U.S.C. 601–612. The establishment of Assessment of Annual Needs for ephedrine, pseudoephedrine, and phenylpropanolamine is mandated by law. The assessments are necessary to provide for the estimated medical, scientific, research and industrial needs of the United States; for lawful export requirements; and the establishment and maintenance of reserve stocks. Accordingly, the Deputy Administrator has determined that this action does not require a regulatory flexibility analysis.

This action meets the applicable standards set forth in Sections 3(a) and 3(b)(2) of Executive Order 12988 Civil Justice Reform.

This action will not result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of $120,000,000 or more (adjusted for inflation) in any one year, and will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

This action is not a major rule as defined by Section 804 of the Small Business Regulatory Enforcement Fairness Act of 1996 (Congressional Review Act). This action will not result in an annual effect on the economy of $100,000,000 or more; a major increase in costs or prices; or significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based companies to compete with foreign-based companies in domestic and export markets.

Dated: November 11, 2009.

Michele M. Leonhart,

Deputy Administrator.

[FR Doc. E9–27890 Filed 11–19–09; 8:45 am]

BILLING CODE 4410–09–P

DEPARTMENT OF LABOR

Bureau of Labor Statistics

Solicitation of Comments on a Proposal To Revise Method for Estimation of Monthly Labor Force Statistics for Certain Subnational Areas

AGENCY: Bureau of Labor Statistics, Labor.

ACTION: Notice of solicitation of comments.

SUMMARY: The Department of Labor, through the Bureau of Labor Statistics (BLS), is responsible for the development and publication of local area labor force statistics. This program includes the issuance of monthly estimates of the labor force, employment, unemployment, and the unemployment rate for each State and labor market area in the nation. A hierarchy of estimation methods is used to produce the 7,300 estimates covered by the Local Area Unemployment Statistics (LAUS) program (*http://thomas.loc.gov/bss/d111/d111laws.html*), based on the availability and quality of data from the Current Population Survey (CPS). The strongest estimating method—signal-plus-noise models with real-time benchmarking for current estimation and historical benchmarking—is employed for all States and the District of Columbia, the Los Angeles-Long Beach-Glendale, CA metropolitan division, New York City, and the respective balances of New York and California. Models are also employed for five additional substate areas and their State balances. The areas are: the Chicago-Naperville-Joliet, IL metropolitan division; the Cleveland-Elyria-Mentor, OH metropolitan area; the Detroit-Warren-Livonia, MI metropolitan area; the Miami-Miami Beach-Kendall, FL metropolitan division; and the Seattle-Bellevue-Everett, WA metropolitan division.

As part of a program of continuing improvements in LAUS methodology, BLS is proposing the implementation of smoothed-seasonally-adjusted series for current and historical estimates. This approach is an innovative alternative to an annual historical benchmark for seasonally-adjusted State estimates that will address longstanding issues related to end-of-year revision, and also will enhance the analytical capability of the estimates.

BLS proposes to implement the revised methodology beginning with January 2010 current estimates, with historical estimates revised to 1976 for States, the District of Columbia, Los Angeles, New York City, and the respective balances of California and New York. The five other substate model estimates will be revised back to 1983.

DATES: Submit written comments on or before December 21, 2009.

ADDRESSES: Send comments to Sharon Brown, Division Chief, Division of Local Area Unemployment Statistics, Bureau of Labor Statistics, Room 4675, 2 Massachusetts Avenue, NE., Washington, DC 20212, by FAX at 202–691–6459, or by e-mail at *Brown.Sharon@bls.gov.*

FOR FURTHER INFORMATION CONTACT: Sharon Brown, Division Chief, Division of Local Area Unemployment Statistics, Bureau of Labor Statistics, Room 4675, 2 Massachusetts Avenue, NE., Washington DC 20212, by telephone at 202–691–6390, or by e-mail at *LAUSRM@bls.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

The Department of Labor, through the BLS, has been responsible for the development and publication of local area labor force statistics since 1972. In 1978, the BLS broadened the use data from the CPS in the LAUS program by extending the annual reliability criterion to monthly data. Monthly CPS levels were used directly for the 10 largest States, two substate areas (New York City, Los Angeles), and the respective balances of New York and California. In 1985, the sample redesign