

maximum amounts which may be offset under paragraph (j)(1) of this section is Federal salary pay remaining after the deduction of:

(i) Any amount required by law to be withheld;

(ii) Amounts properly withheld for Federal, State or local income tax purposes;

(iii) Amounts deducted as health insurance premiums;

(iv) Amounts deducted as normal retirement contributions, not including amounts deducted for supplementary coverage; and

(v) Amounts deducted as normal life insurance premiums not including amounts deducted for supplementary coverage.

(4) At least 30 days in advance of offset, the disbursing official shall send written notice to the debtor of the maximum offset limitations described in paragraph (j)(1) of this section. The notice shall include a request that the debtor submit supporting affidavits or other documentation necessary to determine the applicable offset percentage limitation. The notice shall also inform the debtor of the percentage that will be deducted if he/she fails to submit the requested documentation.

(k) *Payments exempt from administrative offset to collect past-due support being enforced by a State.* The Secretary will exempt from administrative offset under this part payments made under means-tested programs when requested by the head of the Federal agency which administers the program. For purposes of this section, means-tested programs are programs for which eligibility is based on a determination that income and/or assets of the beneficiary are inadequate to provide the beneficiary with an adequate standard of living without program assistance. The Secretary may exempt from administrative offset under this section any other class or type of payment upon the written request of the head of the agency which authorizes the payments. In determining whether or not to grant such exemptions, the Secretary shall give due consideration to whether administrative offset would tend to interfere substantially with or defeat the purposes of the payment agency's program.

(l) *Fees.* A fee which FMS has determined to be sufficient to reimburse FMS for the full cost of the offset procedure, shall be deducted from each offset amount. FMS will notify the States, annually and in advance, of the amount of the fee to be charged for each offset.

(m) *Conducting the offset.* Disbursing officials of the Department of the

Treasury, the Department of Defense, the United States Postal Service, or any other Government corporation, any disbursing official of the United States designated by the Secretary, or any disbursing official of an executive department or agency that disburses Federal payments shall offset payments subject to offset under this section to satisfy, in whole or part, a debt owed by the payee. Disbursing officials shall compare payment certification records with records of debts submitted to FMS for collection by administrative offset. A match will occur when the taxpayer identifying number and name control of a payment record are the same as the taxpayer identifying number and name control of a debt record. The taxpayer identifying number for an individual is the individual's social security number. When a match occurs and all other requirements for offset have been met, the disbursing official shall offset the payment to satisfy, in whole or part, the debt. Any amounts not offset shall be paid to the payee. The amount that can be offset from a single payment is the lesser of the amount of the debt (including interest, penalties, and administrative costs); the amount of the payment; or the amount of the payment available for offset if a statute or regulation prohibits offset of the entire amount. Debts remain subject to collection by offset until paid in full.

(n) *Priorities.* When a payee owes more than one debt which has been referred to FMS for collection by administrative offset, any offset will be applied first to past-due support assigned to a State and will be applied to any other past-due support after any other reductions allowed by law.

(o) *Notification of offset.* Disbursing officials of FMS or any other disbursing official which conducts an offset will notify the payee in writing of the occurrence of the offset to satisfy past-due support. The notice shall inform the payee of the type and amount of the payment that was offset; the identity of the State which requested the offset; and a contact point within the State that will handle concerns regarding the offset. Disbursing officials shall not be liable for failure to provide this notice.

(p) *Liability of disbursing officials and payment agencies.* Neither the disbursing official nor the agency authorizing the payment shall be liable for the amount of the administrative offset on the basis that the underlying obligation, represented by the payment before the administrative offset was taken, was not satisfied. Disbursing officials will notify the agency authorizing the payment that the offset has occurred so that the agency

authorizing the payment may direct any inquiries concerning the offset to the appropriate State.

Dated: June 30, 1997.

Russell D. Morris,
Commissioner.

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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[KS 026-1026; FRL-5853-1]

Approval and Promulgation of Implementation Plans; State of Kansas

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The EPA is taking final action to approve the State Implementation Plan (SIP) revision concerning Kansas Air Regulation (K.A.R.) 28-19-79, Fuel Volatility, submitted by the Kansas Department of Health and Environment (KDHE). This revision sets a summertime gasoline Reid vapor pressure (RVP) limit of 7.2 pounds per square inch (psi), and 8.2 psi for gasoline containing at least 9.0 percent by volume but not more than 10.0 percent by volume ethanol, for gasoline distributed in Wyandotte and Johnson Counties in Kansas. This revision is necessary to ensure that the area continues to maintain the National Ambient Air Quality Standard (NAAQS) for ozone.

DATES: This final rule is effective on August 6, 1997.

ADDRESSES: Copies of the documents relevant to this action are available for public inspection during normal business hours at the: Environmental Protection Agency, Air Planning and Development Branch, 726 Minnesota Avenue, Kansas City, Kansas 66101.

FOR FURTHER INFORMATION CONTACT: Stan Walker at (913) 551-7494.

SUPPLEMENTARY INFORMATION: On March 24, 1997 (62 FR 13849), the EPA proposed approval of the SIP revision concerning K.A.R. 28-19-79, Fuel Volatility, submitted by KDHE. This revision, which limits the RVP of gasoline sold in the Kansas portion of the metropolitan area, is necessary to help the Kansas City area maintain the NAAQS for ozone. In accord with section 211(c)(4)(C), the EPA is able to approve this fuel control measure because the state of Kansas demonstrated that the measure is

necessary to achieve the national primary and secondary ambient air quality standard. The EPA also approves the state fuel requirement as necessary because no other measures would bring about timely attainment or, if other measures exist, they are unreasonable or impracticable.

The state rule was adopted and approved by the Secretary of KDHE after proper public notice and hearing procedures. The rule was effective on May 2, 1997. The SIP revision was submitted by the Secretary of KDHE on May 23, 1997.

The EPA proposed approval of this rule using parallel processing procedures. Under this procedure, the EPA proposed to approve the Kansas rule based on its proposed rule provided the state made no significant changes in the rule upon adoption of the final rule. Since no substantive revisions were made by the state to its proposed rule, and the EPA received no comments on its proposed approval notice, the EPA is able to take final action in this notice to approve this revision to the state's SIP.

The rule was adopted by the state and became effective on May 2, 1997. The EPA is taking final action regarding this SIP revision for the reasons discussed in the notice of proposed rulemaking (NPM).

For additional background on this action and the EPA's detailed rationale for approval, please refer to the technical support document of the aforementioned NPM (62 FR 13849), as modified in conjunction with this final action.

I. Final Action

The EPA is taking final action to approve the SIP revision concerning K.A.R. 28-19-79, Fuel Volatility, submitted by KDHE.

Nothing in this action should be construed as permitting or allowing or establishing a precedent for any future request for revision to any SIP. Each request for revision to the SIP shall be considered separately in light of specific technical, economic, and environmental factors, and in relation to relevant statutory and regulatory requirements.

II. Administrative Requirements

A. Executive Order 12866

This action has been classified as a Table 3 action for signature by the Regional Administrator under the procedures published in the **Federal Register** on January 19, 1989 (54 FR 2214-2225), as revised by a July 10, 1995, memorandum from Mary Nichols, Assistant Administrator for Air and Radiation. The Office of Management

and Budget has exempted this regulatory action from Executive Order 12866 review.

B. Regulatory Flexibility Act

Under the Regulatory Flexibility Act, 5 U.S.C. 600 et. seq., the EPA must prepare a regulatory flexibility analysis assessing the impact of any proposed or final rule on small entities (5 U.S.C. 603 and 604). Alternatively, the EPA may certify that the rule will not have a significant impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and government entities with jurisdiction over populations of less than 50,000.

This Federal action authorizes and approves into the Kansas SIP requirements previously adopted by the state, and imposes no new requirements. Therefore, the Administrator certifies that it does not have a significant impact on any small entities affected. Moreover, due to the nature of the Federal-state relationship under the Clean Air Act (CAA), preparation of a regulatory flexibility analysis would constitute Federal inquiry into the economic reasonableness of state action. The CAA forbids the EPA to base its actions concerning SIPs on such grounds (*Union Electric Co. v. U.S. E.P.A.*, 427 U.S. 246, 256-66 (S.Ct. 1976); 42 U.S.C. 7410(a)(2)).

C. Unfunded Mandates

Under section 202 of the Unfunded Mandates Reform Act of 1995 signed into law on March 22, 1995, the EPA must prepare a budgetary impact statement to accompany any proposed or final rule that includes a Federal mandate that may result in estimated costs to state, local, or tribal governments in the aggregate; or to private sector, of \$100 million or more in any one year. Under section 205, the EPA must select the most cost effective and least burdensome alternative that achieves the objectives of the rule and is consistent with statutory requirements. Section 203 requires the EPA to establish a plan for informing and advising any small governments that may be significantly or uniquely impacted by the rule.

The EPA has determined that the approval action promulgated does not include a Federal mandate that may result in estimated costs of \$100 million or more to either state, local, or tribal governments in the aggregate, or to the private sector. This action authorizes and approves into the Kansas SIP requirements previously adopted by the state, and imposes no new

requirements. Accordingly, no additional cost to state, local, or tribal governments, or to the private sector, results from this action.

D. Submission to Congress and the General Accounting Office

Under 5 U.S.C. 801(a)(1)(A) as added by the Small Business Regulatory Enforcement Fairness Act of 1996, the EPA submitted a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the General Accounting Office prior to publication of this rule in today's **Federal Register**. This rule is not a "major rule" as defined by 5 U.S.C. 804(2).

E. Petitions for Judicial Review

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by September 5, 1997. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this rule for the purposes of judicial review, nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2).)

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Carbon monoxide, Hydrocarbons, Incorporation by reference, Intergovernmental relations, Lead, Nitrogen dioxide, Ozone, Particulate matter, Reporting and recordkeeping requirements, Sulfur oxides, Volatile organic compounds.

Dated: June 17, 1997.

William Rice,

Acting Regional Administrator.

Part 52, chapter I, title 40 of the Code of Federal Regulations is amended as follows:

PART 52—[AMENDED]

1. The authority citation for part 52 continues to read as follows:

Authority: 42 U.S.C. 7401-7671q.

Subpart R—Kansas

2. Section 52.870 is amended by adding paragraph (c)(33) to read as follows:

§ 52.870 Identification of plan.

* * * * *

(c) * * *

(33) A revision to the Kansas SIP was submitted by the Kansas Department of Health and Environment on May 23, 1997, pertaining to fuel volatility.

(i) Incorporation by reference.

(A) K.A.R. 28-19-79, Fuel Volatility, effective May 2, 1997.

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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[CA 105-0041a; FRL-5843-9]

Approval and Promulgation of Implementation Plan for Yolo-Solano Air Quality Management District

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: The EPA is taking direct final action to approve Yolo-Solano Air Quality Management District (District) Rule 3.1—General Permit Requirement, Rule 3.2—Exemptions, Rule 3.4—New Source Review, Rule 3.14—Emission Reduction Credits, and Rule 3.15—Priority Reserve. EPA is approving these rules for the purpose of meeting requirements of the Clean Air Act, as amended in 1990 (CAA or Act) with regard to new source review (NSR) in areas that have not attained the national ambient air quality standards (NAAQS). This approval action will incorporate these rules into the federally approved State Implementation Plan (SIP) for California. The rules were submitted by the State to satisfy certain Federal requirements for an approvable NSR SIP. Thus, EPA is finalizing the approval of these rules into the California SIP under provisions of the CAA regarding EPA action on SIP submittals, SIPs for national primary and secondary ambient air quality standards and plan requirements for nonattainment areas. EPA is taking this action without prior proposal because the Agency views this as a non-controversial amendment and anticipates no adverse comments.

DATES: This action is effective on September 5, 1997 unless adverse or critical comments are received by August 6, 1997. If the effective date is delayed, a timely notice will be published in the **Federal Register**.

ADDRESSES: Comments should be submitted to Steve Ringer (AIR-3), EPA, Region 9, 75 Hawthorne St, San Francisco, CA 94105-3901. Copies of the rules and EPA's evaluation report of

each rule are available for public inspection at EPA's Region 9 office during normal business hours at the following address: Permits Office (AIR-3), Air Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105. Copies of the submitted rules are also available for inspection at the following locations:

California Air Resources Board, Stationary Source Division, Rule Evaluation Section, 2020 "L" Street, Sacramento, CA 95814.

Yolo-Solano Air Quality Management District, 1947 Galileo Ct., Suite 103, Davis, CA 95616.

FOR FURTHER INFORMATION CONTACT:

Steve Ringer, (AIR-3), Air Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105-3901. (415) 744-1260.

SUPPLEMENTARY INFORMATION: The air quality planning requirements for nonattainment NSR are set out in part D of title I of the Clean Air Act. EPA has issued a "General Preamble" describing EPA's preliminary views on how EPA intends to review SIPs and SIP revisions submitted under part D, including those State submittals containing nonattainment NSR SIP requirements [see 57 FR 13498 (April 16, 1992) and 57 FR 18070 (April 28, 1992)]. Because EPA is describing its interpretations here only in broad terms, the reader should refer to the General Preamble for a more detailed discussion. EPA has also proposed regulations to implement the changes under the 1990 Amendments in the NSR provisions in parts C and D of Title I of the Act. [See 61 FR 38249 (July 23, 1996)]. Upon final promulgation of those regulations, EPA will review those NSR SIP submittals on which it has already taken final action to determine whether additional SIP revisions are necessary.

I. Procedural Background

The Act requires States to observe certain procedural requirements in developing implementation plans and plan revisions for submission to EPA. Section 110(a)(2) and section 110(l) of the Act provide that each implementation plan or revision to an implementation plan submitted by a State must be adopted after reasonable notice and public hearing. Section 172(c)(7) of the Act provides that plan provisions for nonattainment areas shall meet the applicable provisions of Section 110(a)(2).

Rule 3.1 was adopted by the District Board of Directors on February 23, 1994, and submitted to EPA as an amendment

to the SIP on October 19, 1994. Rule 3.2 was adopted by the District on August 25, 1993, and submitted to EPA on March 29, 1994. Rule 3.4 was adopted by the District on December 11, 1996, and submitted to EPA on March 26, 1997. Rules 3.14 and 3.15 were adopted by the District on September 22, 1993, and submitted to EPA on March 29, 1994.

EPA deemed the submittals complete on December 1, 1994, June 3, 1994, May 14, 1997, and June 3, 1994, respectively. EPA made its determinations of completeness pursuant to EPA's completeness criteria that are set forth in 40 CFR part 51 appendix V.¹

II. Summary of Rule Contents

The Yolo-Solano Air Quality Management District submitted to EPA for adoption into the applicable NSR SIP Rules 3.1, 3.2, 3.4, 3.14, and 3.15, which constitute the District's new source permitting rules. Rule 3.1 contains the District's general requirement that new and modifying sources must obtain an authority to construct (ATC) permit prior to construction. Rule 3.2 contains a list of exemptions from the ATC permit requirements. Rule 3.4 contains the District's NSR definitions, administrative requirements, and the standards which a stationary source must meet in order to obtain an ATC permit. Rule 3.14 creates an administrative mechanism for certifying emission reduction credits (ERCs), and Rule 3.15 establishes the District's Priority Reserve bank for ERCs.

Rules 3.1, 3.2, 3.4, 3.14, and 3.15 represent comprehensive revisions to the District's NSR permitting regulations. These rules subsume all elements of the District NSR rules that are currently in the SIP, and are thus intended to supersede District Rules 3.1, 3.2, 3.3, 3.4, 3.4.1, 3.4.2, 3.6, 3.7, 3.8, 3.9, 3.10, 3.11, 3.12, and 3.13 which were approved into the SIP by EPA on various dates between March 31, 1972 and April 17, 1989.

The District is composed of Yolo County and part of Solano County, and is designated as a severe ozone nonattainment area. The District is designated attainment for PM₁₀, NO₂, SO₂ and CO. For the detailed area designations that apply to the District, please refer to 40 CFR § 81.305. The CAA air quality planning requirements for nonattainment NSR are set out in part D of Title I of the Act, with

¹ EPA adopted the completeness criteria on February 16, 1990 (55 FR 5830) and, pursuant to section 110(k)(1)(A) of the CAA, revised the criteria on August 26, 1991 (56 FR 42216).