

§ 1.163-8T Allocation of interest expense among expenditures (temporary).

* * * * *

(c) * * *

(3) *Allocation of debt; proceeds not disbursed to borrower—(i) Third-party financing.* * * *

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Cynthia E. Grigsby,

Chief, Regulations Unit, Assistant Chief Counsel (Corporate).

[FR Doc. 97-19702 Filed 7-25-97; 8:45 am]

BILLING CODE 4830-01-P

DEPARTMENT OF THE TREASURY**Internal Revenue Service****26 CFR Part 1**

[TD 8718]

RIN 1545-AS49

Arbitrage Restrictions on Tax-Exempt Bonds; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to final regulations.

SUMMARY: This document contains corrections to final regulations (TD 8718) which were published in the **Federal Register** on Friday, May 9, 1997 (62 FR 25502). The final regulations relate to arbitrage and related restrictions applicable to tax-exempt bonds issued by State and local governments.

DATES: This correction is effective May 9, 1997.

FOR FURTHER INFORMATION CONTACT: David White, (202) 622-3980 (not a toll-free number).

SUPPLEMENTARY INFORMATION:**Background**

The final regulations that are the subject of these corrections are under section 148 of the Internal Revenue Code.

Need for Correction

As published, the final regulations (TD 8718) contain errors that may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication of final regulations (TD 8718) which are the subject of FR Doc. 97-12062 is corrected as follows:

1. On page 25505, column 3, in the preamble, under the paragraph heading "*F. Effective Dates*", line 2, the language "effective for bonds issued on or after" is corrected to read "effective for bonds sold on or after".

2. On page 25505, column 3, in the preamble, under the paragraph heading "*F. Effective Dates*", the last line, the language "issued before July 8, 1997." is corrected to read "sold before July 8, 1997."

Cynthia E. Grigsby,

Chief, Regulations Unit, Assistant Chief Counsel (Corporate).

[FR Doc. 97-19815 Filed 7-25-97; 8:45 am]

BILLING CODE 4830-01-U

DEPARTMENT OF JUSTICE**Parole Commission****28 CFR Part 2****Paroling, Recommitting, and Supervising Federal Prisoners: Transfer Treaty Cases**

AGENCY: United States Parole Commission, Justice.

ACTION: Final rule; correction.

SUMMARY: U.S. Parole Commission is correcting its regulation concerning prisoners transferred pursuant to a treaty to remove one redundant word. The intended effect is to improve the clarity of the regulation. The Parole Commission is also correcting the regulation to reflect the reduction in the number of hearing officers necessary to conduct a parole hearing. The reduction was originally made in the final rule published on July 25, 1996 (61 FR 38569).

EFFECTIVE DATE: July 28, 1997.

FOR FURTHER INFORMATION CONTACT: Pamela A. Posch, Office of General Counsel, U.S. Parole Commission, 5550 Friendship Blvd., Chevy Chase, Maryland 20815, telephone (301) 492-5959.

List of Subjects in 28 CFR Part 2

Administrative practice and procedure, Probation and parole.

Accordingly, 28 CFR Part 2 is amended as follows:

PART 2—[AMENDED]

1. The authority citation for 28 CFR Part 2 continues to read as follows:

Authority: 18 U.S.C. 4203(a)(1) and 4204(a)(6).

§ 2.62 [Amended]

2. Section 2.62(a)(6) is amended in the second sentence by removing the word "set" the second time it appears.

3. In § 2.62, in paragraph (h)(5), remove the words "the panel" in each place they occur, and add the words "the examiner" in their place.

Dated: July 21, 1997.

Michael J. Gaines,

Chairman, U.S. Parole Commission.

[FR Doc. 97-19708 Filed 7-25-97; 8:45 am]

BILLING CODE 4410-01-P

DEPARTMENT OF TRANSPORTATION**Coast Guard****33 CFR Part 164**

[CGD 97-034]

RIN 2115-AF46

Radar Requirements for Towing Vessels 300 Gross Tons or More

AGENCY: Coast Guard, DOT.

ACTION: Final rule.

SUMMARY: On July 3, 1996, the Coast Guard published a final rule requiring certain towing vessels of 12 meters (39.4 feet) or more in length, operating in the navigable waters of the United States other than the St. Lawrence Seaway, to be equipped with a marine radar. This final rule included a provision requiring, in some cases, towing vessels of 300 tons gross tonnage or more to have a radar that is azimuth stabilized. This requirement is scheduled to go into effect on August 2, 1997. Following issuance of the final rule, the Coast Guard received comments expressing concern about the need for and the expense of this requirement on vessels operating on inland routes. After reviewing this requirement with respect to towing vessels on inland waters, the Coast Guard is issuing a final rule which revises the radar requirement for a towing vessel of 300 tons gross tonnage or more engaged in towing on Western rivers and U.S. navigable waters other than Western rivers.

DATES: This rule is effective on July 28, 1997.

ADDRESSES: Documents as indicated in this preamble are available for inspection or copying at the office of the Executive Secretary, Marine Safety Council (G-LRA/3406), U.S. Coast Guard Headquarters, 2100 Second Street SW., Washington, DC 20593-0001, between 9:30 a.m. and 2 p.m., Monday through Friday, except Federal holidays. The telephone number is 202-267-1477.

FOR FURTHER INFORMATION CONTACT: Mr. Edward LaRue, Navigation Rules Division (G-MOV-3), 202-267-0416.

Regulatory History

The regulatory history for this rulemaking is recounted in the preamble of the final rule entitled "Navigation

Safety Equipment for Towing Vessels" (61 FR 35064, July 3, 1996). After publication of the final rule, the Coast Guard received verbal comments expressing concern about the requirement for towing vessels 300 tons gross tonnage or more to have azimuth stabilized radar.

Background and Purpose

Background information on navigation safety equipment for towing vessels is provided in the preambles to the notice of proposed rulemaking (NPRM) (60 FR 55890; November 3, 1995) and the final rule (61 FR 35064; July 3, 1996).

Discussion of Comments and Changes

Verbal comments from the American Waterways Operators (AWO) received by the Coast Guard expressed concern about the radar requirement for towing vessels 300 tons gross tonnage or more to have azimuth stabilized radar. Because river maps published by the Army Corps of Engineers do not normally contain latitude and longitude references or a compass rose, the utility of an azimuth stabilized radar is greatly diminished. AWO concurred with the Coast Guard that this requirement was appropriate for towing vessels 300 gross tons or more, but was financially burdensome to towing vessels operating on inland routes. The Towing Safety Advisory Committee (TSAC) supported AWO's comments and stated that reducing the radar requirement would not reduce navigational safety. TSAC recommended that the Coast Guard amend the radar requirements for vessels 300 tons gross tonnage or more.

The Coast Guard concurs. This final rule will reduce the economic burden on the towing industry by changing the radar requirement for towing vessels 300 tons gross tonnage or more operating on certain U.S. navigable waters, including Western rivers. Because owners of towing vessels affected by the current radar requirement may be planning purchases of gyrocompasses or new radar to be in compliance with the August 2, 1997, implementation date, the Coast Guard desires that the reduced requirement become effective as soon as possible. The Coast Guard has determined that not requiring an azimuth stabilized radar for vessels on inland routes will not adversely affect safety and is consistent with the precepts of the original rulemaking (61 FR 35064, July 3, 1996).

TSAC also requested clarification of the language in the Radio Technical Commission for Maritime Services (RTCM) standards dealing with range

performance. For towing vessels of less than 300 tons gross tonnage, performance is rated at an antenna height of 15 meters. The section then states parenthetically, "the 15 meter height is a test criteria only and not an installation requirement." Although similar language is not used in the standards for vessels of 300 tons gross tonnage or more, the Coast Guard does apply the same logic. For vessels of 300 tons gross tonnage or more, the 15 meter height is a test criteria and not an installation requirement.

Regulatory Evaluation

This final rule is not a significant regulatory action under section 3(f) of Executive Order 12866, and does not require an assessment of potential costs and benefits under section 6(a)(3) of that Order. It has not been reviewed by the Office of Management and Budget under that Order. It is not significant under the regulatory policies and procedures of the Department of Transportation (DOT) (44 FR 11040 (February 26, 1979)).

A final Regulatory Evaluation under paragraph 10e of the regulatory policies and procedures of DOT has been prepared for the final rule requiring radars on towing vessels (61 FR 35064; July 3, 1996) and is available in docket CGD 94-020 for inspection or copying where indicated under ADDRESSES.

In addition to the original rule's Regulatory Evaluation, the Coast Guard conducted a cost/benefit analysis based on this change of radar requirements. The Coast Guard has determined that approximately 400 towing vessels 300 tons gross tonnage or more would be affected by the azimuth stabilized radar requirement. This change would have created an economic burden to the regulated industry of approximately \$8.4 million. The original regulatory Evaluation did not anticipate that vessels operating on the Western rivers or on inland waters would have to be outfitted with a gyrocompass, at a cost of approximately \$21,000, in order to meet the radar requirements. The Coast Guard has determined that while a marine surface-navigation radar is an essential piece of navigational-safety equipment, for vessels operating in sheltered or protected waters the requirement to have the radar azimuth stabilized is not critical. Therefore, in this final rule the Coast Guard has removed the stabilization requirement for towing vessels operating on Western rivers and U.S. navigable waters other than Western rivers.

Small Entities

Under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), the Coast Guard

considered whether this rule will have a significant economic impact on a substantial number of small entities. "Small entities" include small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000. Approximately 200 towing vessels owned and operated by an estimated 45 small entities would save \$21,000 per vessel by this rule. Therefore, the Coast Guard certifies that under section 605(b) of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) that this final rule will not have a significant economic impact on a substantial number of small entities and is, in fact, beneficial to them.

Assistance for Small Entities

In accordance with section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104-121), the Coast Guard will provide assistance to small entities to determine how this rule applies to them. If you are a small business and need assistance understanding the provisions of this rule, please contact the Coast Guard Captain of the Port (COTP) closest to your vessel's operational area.

Collection of Information

This final rule does not include any collection requirements nor change the collection of information requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) of the final rule published in the **Federal Register** (61 FR 35064).

Federalism

The Coast Guard has analyzed these regulations under the principles and criteria contained in Executive Order 12612 and has determined that this rule does not have sufficient implications for federalism to warrant the preparation of a Federalism Assessment.

Environment

The Coast Guard considered the environmental impact of this rule and concluded that, under paragraphs 2.B.2e(34) (d) and (e) of Commandant Instruction M16475.1B, this rule is categorically excluded from further environmental documentation. This rule requires navigation safety equipment and the recordkeeping of the inspection and testing of said equipment. The environmental impact of this rule will be to reduce maritime accidents and oil spills in the marine environment. A "Categorical Exclusion Determination" is available in the docket for inspection

or copying where indicated under ADDRESSES.

List of Subjects in 33 CFR Part 164

Marine safety, Navigation (water), Reporting and recordkeeping requirements, Waterways, Incorporation by reference.

Dated: July 14, 1997.

R. C. North,

Rear Admiral, U.S. Coast Guard, Assistant Commandant for Marine Safety and Environmental Protection.

For the reasons discussed in the preamble, the Coast Guard amends 33 CFR part 164 as follows:

PART 164—NAVIGATION SAFETY REGULATIONS

1. The authority citation for part 164 continues to read as follows:

Authority: 33 U.S.C. 1223, 1231; 46 U.S.C. 2103, 3703; 49 CFR 1.46. Sec. 164.13 also issued under 46 U.S.C. 8502. Sec. 164.61 also issued under 46 U.S.C. 6101.

§ 164.72 [Amended]

2. Amend § 164.72 by revising paragraph (a)(1)(iii); designating and revising paragraph (a)(1)(iv) as (a)(1)(v); adding a new paragraph (a)(1)(iv); and revising paragraph (c) and table 164.72 to read as follows:

§ 164.72 Navigational-safety equipment, charts or maps, and publications required on towing vessels.

(a) * * *

(1) * * *

(iii) For a vessel of 300 tons gross tonnage or more that engages in towing on navigable waters of the U.S., including Western rivers, the radar must meet—

(A) The requirements of the Federal Communications Commission (FCC) specified by 47 CFR part 80; and

(B) RTCM Recommended Standards for Marine Radar Equipment Installed on Ships of 300 Tons Gross Tonnage and Upwards, RTCM Paper 191–93/SC112–X, Version 1.2 except the requirements for azimuth stabilization in paragraph 3.10.

(iv) For a vessel of 300 tons gross tonnage or more that engages in towing

seaward of navigable waters of the U.S. or more than three nautical miles from shore on the Great Lakes, the radar must meet—

(A) The requirements of the FCC specified by 47 CFR Part 80; and

(B) RTCM Recommended Standards for Marine Radar Equipment Installed on Ships of 300 Tons Gross Tonnage and Upwards, RTCM Paper 191–93/SC112–X, Version 1.2.

(v) A towing vessel with an existing radar must meet the applicable requirements of paragraphs (a)(1) (i) through (iv) of this section by August 2, 1998; except that a towing vessel with an existing radar must meet the display and stabilization requirements of paragraph (a)(1)(ii)(B) of this section by August 2, 2001.

* * * * *

(c) Table 164.72, following, summarizes the navigational-safety equipment, charts or maps, and publications required for towing vessels of 12 meters or more in length engaged in towing:

TABLE 164.72.—EQUIPMENT, CHARTS OR MAPS, AND PUBLICATIONS FOR TOWING VESSELS OF 12 METERS OR MORE IN LENGTH

	Western rivers	U.S. navigable waters other than western rivers	Waters seaward of navigable waters and 3 NM or more from shore on the Great Lakes
Marine Radar:			
Towing Vessels of Less Than 300 GT.	RTCM Paper 71–95/SC112–STD Version 1.1, Display Category II ¹ Stabilization Category BRAVO.	RTCM Paper 71–95/SC112–STD Version 1.1, Display Category II ¹ Stabilization Category BRAVO.	RTCM Paper 71–95/SC112–STD Version 1.1, Display Category I ² Stabilization Category ALPHA.
Towing Vessels of 300 GT or More.	RTCM Paper 191–93/SC112–X Version 1.2 (except the Azimuth stabilization requirement in paragraph 3.10). ¹	RTCM Paper 191–93/SC112–X Version 1.2 (except the Azimuth stabilization requirement in paragraph 3.10). ¹	RTCM Paper 191–93/SC112–X Version 1.2. ¹
Searchlight	X	X	X
VHF–FM Radio	X	X	X
Magnetic Compass.	X ³	X	X
Swing-Meter	X ³		
Echo Depth-Sounding Device.		X	X
Electronic Position-Fixing Device.			X
Charts or Maps	(1) Large enough scale	(1) Large enough scale	(1) Large enough scale.
	(2) Current edition or currently corrected edition.	(2) Current edition or currently corrected edition.	(2) Currently corrected edition.
General Publications.	(1) U.S. Coast Guard Light List	(1) U.S. Coast Guard Light List	(1) U.S. Coast Guard Light List.
	(2) Notices to Navigation or Local Notices to Mariners.	(2) Local Notices to Mariners	(2) Local Notices to Mariners.
	(3) River-current Tables	(3) Tidal-current Tables	(3) Tidal-current Tables.
		(4) Tide Tables	(4) Tide Tables.
		(5) U.S. Coast Pilot	(5) U.S. Coast Pilot.

Notes:

¹ Towing vessels with existing radar must meet this requirement by August 2, 1998.

² Towing vessels with existing radar must meet this requirement by August 2, 1998 but do not need to meet the display and stabilization requirements until August 2, 2001.

³ A towing vessel may carry either a swing-meter or a magnetic compass.

[FR Doc. 97-19782 Filed 7-25-97; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 165

[CGD 05-96-010]

RIN 2115-AE84

Regulated Navigation Area; Delaware Bay and River, Salem River, Christina River, and Schuylkill River

AGENCY: Coast Guard, DOT.

ACTION: Final rule.

SUMMARY: The Coast Guard is amending its regulations governing a regulated navigation area on the Delaware Bay and River. The changes extend the current regulated navigation area to include the Salem, Christina, and Schuylkill Rivers between Trenton, NJ, and the Delaware Breakwater. The changes also establish new regulations governing vessel movement within the expanded regulated navigation area. Many of these requirements were previously imposed on a case-by-case basis through issuance of temporary rules and Captain of the Port Orders. The Coast Guard believes these changes will increase public awareness and improve navigation safety within the regulated navigation area.

EFFECTIVE DATE: This rule is effective on August 27, 1997.

ADDRESSES: The comments and other materials referred to in this preamble are available for inspection or copying at the Marine Safety Office Philadelphia, PA during normal working hours between 7:30 a.m. and 4 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Lt Robert Hennessy, Assistant Chief, Port Operations Department (ACPOD), at the Marine Safety Office Philadelphia, PA, or by telephone at (215) 271-4883.

SUPPLEMENTARY INFORMATION:

Regulatory History

On November 7, 1996, the Coast Guard published a notice of proposed rulemaking entitled Regulated Navigation Area; Delaware Bay and River, Salem River, Christina River, and Schuylkill River in the **Federal Register** (61 FR 57599). The comment period ended February 5, 1997. The Coast Guard received two letters commenting on the proposal. No public hearing was requested, and none was held.

Background and Purpose

This rule is adopted as part of an overall safety program implemented by the Captain of the Port, Philadelphia, PA to enhance the safe transportation of certain dangerous cargoes in the Captain of the Port zone.

Existing 33 CFR 165.510 established a regulated navigation area for the waters of the Delaware Bay and Delaware River south of the Delaware Memorial Bridge. It prohibits a vessel with a draft of greater than 55 feet from entering the regulated navigation area. It also prohibits oil transfer operations within the regulated navigation area except within specified anchorage grounds or with the authorization of the Captain of the Port. This rule expands the regulated navigation area, applies it when vessels transit with dangerous cargoes, and imposes operational restrictions on vessels operating within the regulated navigation area.

In the past, the Captain of the Port, Philadelphia, established a temporary safety zone whenever a vessel carrying a specified dangerous cargo transited the area. The temporary safety zone regulations routinely prohibited entry into the waters surrounding the vessel and facility without specific permission from the Coast Guard. The COTP imposed operating restrictions, similar to the measures contained in this final rule, as a condition of entry into the safety zone. The temporary rules were often issued on short notice and, as a result, may not have been timely published in the **Federal Register**.

To avoid the need to issue temporary rules and improve the public's knowledge of potential restrictions on navigation, the Coast Guard is amending 33 CFR 165.510. Definitions routinely included in the temporary rules are included in the final rule. The final rule applies to all vessels operating in the regulated navigation area, except vessels engaged in law enforcement, servicing aids to navigation, or surveying, maintaining or improving the waterways (e.g., dredges and survey vessels). The 55-foot draft limitation is retained, but a note is added indicating that the project depth of the Delaware River is 40 feet. Vessel to vessel oil transfer operations, excluding bunkering, will continue to be prohibited within the regulated navigation area except within designated anchorage grounds or with permission of the COTP.

Both vessels carrying dangerous cargoes and vessels operating in the vicinity of vessels carrying dangerous cargoes must comply with operational requirements and restrictions. The

master, owner, or operator of a vessel carrying dangerous cargo must give notice to the COTP at least 72 hours before entering or departing the regulated navigation area and at least 12 hours before any vessel movement within the regulated navigation area. The required notice must include a report of the vessel's propulsion and machinery status and, for foreign flag vessels, the notice must include any outstanding deficiencies identified by the flag state or classification society.

A vessel carrying dangerous cargo is prohibited from transiting within the regulated navigation area if visibility is or is expected to be less than two nautical miles. Anchoring is permitted only in an emergency or upon COTP approval. Unless the vessel has two separate and independent steering control systems with duplicate pilot house steering gear controls, the master, owner, or operator is required to maintain a manned watch within the steering gear compartment during any transit within the regulated navigation area. While at anchor, the master, owner, or operator is required to have the engines in a condition that full power would be available within five minutes whenever sustained winds exceeded 25 knots. If sustained winds reach or exceed 40 knots, the vessel's main engines must be on line. Each vessel is required to have emergency towing gear rigged while underway, at anchor, or moored. Transfer of dangerous cargo is also prohibited while a vessel is at anchor or bunkering.

Operational restrictions are also imposed on vessels operating in the vicinity of a vessel carrying dangerous cargo. While a vessel carrying dangerous cargo is underway, no vessel is permitted within 500 yards of either side or within 1000 yards of the bow or stern without permission of the COTP. No vessel is allowed within 100 yards of a moored or anchored vessel carrying dangerous cargo. Commercial vessels attending a vessel carrying dangerous cargo are allowed to transit within this area with permission from the master of the vessel carrying dangerous cargo. If permitted to enter, the vessel is required to maintain a continuous radio guard, operate at a "no wake" speed or the minimum speed to maintain steerage, and to proceed as otherwise directed by the COTP. No vessel is permitted to overtake a vessel carrying dangerous cargo unless the overtaking can be completed before reaching any bends in the channel and the masters or operators of both vessels clearly agree on arrangements for the overtaking.

Specific restrictions also apply to vessels operating above the C&D Canal.