

and liabilities to its single owner in liquidation of the association.

(iv) *Disregarded entity to an association.* If an eligible entity that is disregarded as an entity separate from its owner elects under paragraph (c)(1)(i) of this section to be classified as an association, the following is deemed to occur: The owner of the eligible entity contributes all of the assets and liabilities of the entity to the association in exchange for stock of the association.

(2) *Effect of elective changes.* The tax treatment of a change in the classification of an entity for federal tax purposes by election under paragraph (c)(1)(i) of this section is determined under all relevant provisions of the Internal Revenue Code and general principles of tax law, including the step transaction doctrine.

(3) *Timing of election.* An election under paragraph (c)(1)(i) of this section that changes the classification of an eligible entity for federal tax purposes is treated as occurring at the start of the day for which the election is effective. Any transactions that are deemed to occur under this paragraph (g) as a result of a change in classification are treated as occurring immediately before the close of the day before the election is effective. For example, if an election is made to change the classification of an entity from an association to a partnership effective on January 1, the deemed transactions specified in paragraph (g)(1)(ii) of this section (including the liquidation of the association) are treated as occurring immediately before the close of December 31 and must be reported by the owners of the entity on December 31. As a result, the last day of the association's taxable year will be December 31 and the first day of the partnership's taxable year will be January 1.

(4) *Effective date.* This paragraph (g) applies to elections that are filed on or after the date the final regulations are published in the **Federal Register**.

(h) *Effective date—(1) In general.* Except as otherwise provided in this section, the rules of this section are applicable as of January 1, 1997.

* * * * *

Michael P. Dolan,

Acting Commissioner of Internal Revenue.
[FR Doc. 97-28165 Filed 10-27-97; 8:45 am]

BILLING CODE 4830-01-U

DEPARTMENT OF THE TREASURY

Fiscal Service

31 CFR Part 208

RIN 1510-AA56

Management of Federal Agency Disbursements: Hearing in Los Angeles, CA

AGENCY: Financial Management Service, Fiscal Service, Treasury.

ACTION: Proposed rule; notice of public hearing.

SUMMARY: This document schedules an additional public hearing on proposed regulations relating to the government's use of electronic funds transfer to make all Federal payments, with the exception of tax refunds, after January 1, 1999.

DATES: There will be a public hearing in Los Angeles on Tuesday, December 9, 1997 beginning at 9:00 a.m. Requests to testify at the hearing and outlines of testimony must be received by December 1.

ADDRESSES: The public hearing in Los Angeles will be held at the Federal Reserve Bank. The Bank is located at 950 S. Grand Avenue, Los Angeles, California, 90015.

Send requests to testify and outlines of testimony to Martha Thomas-Mitchell. See **FOR FURTHER INFORMATION CONTACT**.

FOR FURTHER INFORMATION CONTACT: Martha Thomas-Mitchell at (202) 874-6757 or at Internet address martha.thomas-mitchell@fms.sprint.com. The following toll free number is also available for registration information and inquiries: 1-800-344-0218 (hours of operation are 7:00 a.m.—5:00 p.m. Pacific Standard Time). For general information on the proposed regulation, contact Robyn Schulhof at (202) 874-6754 or Diana Shevlin at (202) 874-7032.

SUPPLEMENTARY INFORMATION: A notice of proposed rulemaking appearing in the **Federal Register** on September 16, 1997 (62 FR 48714) announced that three public hearings would be held in Dallas, New York City, and Baltimore. This notice adds an additional hearing in Los Angeles.

Dated: October 23, 1997.

Michael T. Smokovich,
Deputy Commissioner.

[FR Doc. 97-28523 Filed 10-27-97; 8:45 am]
BILLING CODE 4810-35-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Care Financing Administration

42 CFR Chapter IV

[HCFA-1007-N]

Medicare Program; Meetings of the Negotiated Rulemaking Committee on the Provider-sponsored Organization Solvency Standards

AGENCY: Health Care Financing Administration (HCFA), HHS.

ACTION: Notice of meetings.

SUMMARY: In accordance with section 10(a) of the Federal Advisory Committee Act, this notice announces the dates and locations for the second through sixth meetings of the Negotiated Rulemaking Committee on the provider-sponsored organization (PSO) solvency standards. The purpose of this committee is to negotiate the development of an interim final rule establishing solvency standards for provider-sponsored organizations under Part C of the Medicare program, as statutorily-mandated by the Balanced Budget Act of 1997. These meetings are open to the public.

DATES: The five scheduled meetings will be held on November 12-14, 1997; December 3-5, 1997; January 6-8, 1998; January 27-29, 1998; and February 18-20, 1998. The hours of the meetings are 9:00 a.m. to 5:00 p.m. on the first two days of each meeting and 8:00 a.m. to 3:00 p.m. on the third day of each meeting.

ADDRESSES:

- November 12, 13, and 14, 1997, at The Phoenix Park Hotel, 520 N. Capitol St., NW, Washington, DC 20001; (202) 638-6900;
- December 3, 4, and 5, 1997, at the Holiday Inn Capitol, 550 C St., SW, Washington, DC 20024; (202) 479-4000;
- January 6, 7, and 8, 1998, at The Phoenix Park Hotel at the above address;
- January 27, 28, and 29, 1998, at The Phoenix Park Hotel; and
- February 18, 19, and 20, 1998, at The Phoenix Park Hotel.

FOR FURTHER INFORMATION: Inquiries regarding these meetings should be addressed to Maureen Miller, Health Care Financing Administration, Center for Health Plans and Providers, Room S3-21-17, 7500 Security Boulevard, Baltimore, Maryland 21244, (410) 786-1097.

SUPPLEMENTARY INFORMATION: The Balanced Budget Act (BBA) of 1997 establishes a new Medicare+Choice program under part C of title XVIII of the Social Security Act (the Act). Under this program, an eligible individual may elect to receive Medicare benefits through enrollment in a Medicare+Choice plan that has a contract with us, which may include a health plan offered by a provider-sponsored organization. The BBA establishes a definition of PSOs that will be further clarified in forthcoming regulations. Section 4001 of the BBA mandates an expedited and modified negotiated rulemaking process for establishing solvency standards for PSOs. The standards must be published as an interim final rule, subject to comment, by April 1, 1998.

Under the BBA, the Negotiated Rulemaking Committee is required to report to the Secretary by January 1, 1998, regarding its progress and whether it is likely to achieve consensus. The Committee is required to report its proposed standards to the Secretary by March 1, 1998. If, however, the Committee reports on January 1st that it has failed to make significant progress or that consensus is unlikely within the assigned time frame, the Committee will be terminated and publication of a rule will proceed using other rulemaking procedures.

The Committee held its first meetings on October 20, 21, and 22, 1997. At these meetings, presentations were made that related to health plan solvency, and the Committee discussed how to address the principal issues and how to proceed in developing solvency standards.

The announced future meetings are open to the public without advance registration. Public attendance at the meetings may be limited to space available. A summary of all proceedings will be available for inspection in room 309-G of the Department's offices at 200 Independence Avenue, SW, Washington, DC, on Monday through Friday of each week from 8:30 a.m. to 5 p.m. (Phone: (202) 690-7890), or can be accessed through the HCFA Internet site at <http://www/hcfa.gov/medicare/mgdcar1.htm>. Additional information related to the Committee will be available on the web site.

(Section 1851 of the Social Security Act (42 U.S.C. 1395w-21 and section 10(a) of Public Law 92-463 (5 U.S.C. App. 2, section 10(a)); 45 C.F.R. Part 11)

(Catalog of Federal Domestic Assistance Program No. 93.773, Medicare—Hospital Insurance; and Program No. 93.774, Medicare—Supplementary Medical Insurance Program)

Dated: October 24, 1997.

Nancy-Ann Min DeParle,
Deputy Administrator, Health Care Financing Administration.

[FR Doc. 97-28676 Filed 10-27-97; 8:45 am]

BILLING CODE 4120-01-P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

50 CFR Part 17

RIN 1018-AE00

Endangered and Threatened Wildlife and Plants; Extension of Comment Period on Proposed Rule and Draft Environmental Impact Statement for Grizzly Bear Recovery in the Bitterroot Ecosystem

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Proposed rule; extension of comment period.

SUMMARY: The Fish and Wildlife Service provides notice that the comment period is being extended on the proposed rule to establish a nonessential experimental population of grizzly bears in the Bitterroot Ecosystem. All interested parties that have not done so are invited to submit comments on this proposal.

DATES: Comments will be accepted until December 1, 1997.

ADDRESSES: Written comments and materials should be addressed to Dr. Christopher Servheen, U.S. Fish and Wildlife Service Project Leader, Bitterroot Grizzly Bear EIS, P.O. Box 5127, Missoula, Montana 59806.

FOR FURTHER INFORMATION CONTACT: Dr. Christopher Servheen, Grizzly Bear Recovery Coordinator (see ADDRESSES above), at telephone (406) 243-4903.

SUPPLEMENTARY INFORMATION:

Background

The U.S. Fish and Wildlife Service (Service) proposes to reintroduce the grizzly bear (*Ursus arctos horribilis*), a threatened species, into east-central Idaho and a portion of western Montana. On July 2, 1997, the Service published a proposed rule (62 FR 35762) to establish a nonessential experimental population pursuant to section 10(j) of the Endangered Species Act of 1973, as amended. Grizzly bear populations have been extirpated from most of the lower 48 United States. They presently occur in populations in the Cabinet/Yaak ecosystem in northwestern Montana and north Idaho, the Selkirk ecosystem in north Idaho and northeastern Washington, the North

Cascades ecosystem in northwestern Washington, the Northern Continental Divide ecosystem in Montana, and the Yellowstone ecosystem in Montana, Wyoming, and Idaho. The purpose of this reintroduction is to reestablish a viable grizzly bear population in the Bitterroot ecosystem in east-central Idaho and adjacent areas of Montana, one of six grizzly recovery areas identified in the Grizzly Bear Recovery Plan. Potential effects of this proposed rule are evaluated in a draft Environmental Impact Statement released concurrently with the publication of the proposed rule. This grizzly bear reintroduction does not conflict with existing or anticipated Federal agency actions or traditional public uses of wilderness areas or surrounding lands.

Public Comments Solicited

The comment period on this proposal is scheduled to close on November 1, 1997. To accommodate verbal requests and because of the extensive interest in the proposal, the Service extends the comment period. Written comments may now be submitted until December 1, 1997, to the Service office identified in the ADDRESSES section above. All comments must be received before the close of the comment period to be considered.

Author

The author of this notice is Olin Bray, U.S. Fish and Wildlife Service, P.O. Box 25486, DFC, Denver, CO 80225-0486; telephone (303) 236-7400, extension 249.

Authority

The authority for this action is the Endangered Species Act of 1973, as amended (16 U.S.C. 1531 *et seq.*).

Dated: October 22, 1997.

Ralph O. Morgenweck,
Regional Director, Denver, Colorado.

[FR Doc. 97-28481 Filed 10-27-97; 8:45 am]

BILLING CODE 4310-55-M

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 600

[Docket No. 970829214-7214-01; I.D. 082097B]

RIN 0648-AJ76

Magnuson-Stevens Act Provisions; Observer Health and Safety

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and