

For the Nuclear Regulatory Commission.  
Stuart A. Richards,  
*Chief, Operator Licensing Branch, Division  
of Reactor Controls and Human Factors,  
Office of Nuclear Reactor Regulation.*  
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## OFFICE OF MANAGEMENT AND BUDGET

### Issuance of Transmittal Memorandum No. 17, Amending OMB Circular No. A-76, "Performance of Commercial Activities"

**AGENCY:** Office of Management and Budget.

**SUMMARY:** This notice contains Transmittal Memorandum No. 17, to OMB Circular No. A-76, "Performance of Commercial Activities."

This Transmittal Memorandum updates the Federal pay raise assumptions and inflation factors used for computing the Government's in-house personnel and non-pay costs for Fiscal Years 1997 through 2003. The Federal pay raise assumptions and the non-pay category rates are, generally, contained in the President's Budget for Fiscal Year 1998. The factors contained in OMB Circular No. A-76, Transmittal Memorandum No. 16 are outdated. It should not be assumed that these civilian pay raises will be those that will be in effect for preparation of the FY 1999 Budget. Guidance on pay raise assumptions to use for the FY 1999 Budget will be issued to agencies prior to the Budget submission date.

The revision does not require any agency to (1) create or maintain a duplicate control/monitoring/reporting system or (2) adopt any additional controls, not presently in compliance with Federal Acquisition Regulations (FAR).

Agencies are reminded that OMB Circular No. A-76, Transmittal Memoranda 1 through 14 are canceled. Transmittal Memorandum No. 15 provided the Revised Supplemental Handbook, dated March 1996 (Federal Register, April 1, 1996, pages 14338-14346).

**DATES:** As with previous OMB Circular A-76 Transmittals, the provisions of Transmittal Memorandum No. 17 are effective immediately and shall apply to all cost comparisons in progress that have not yet undergone bid opening or where the in-house bid has not yet otherwise been revealed.

**FOR FURTHER INFORMATION CONTACT:** Mr. David Childs, Budget Analysis and Systems Division, NEOB Room 6002,

Office of Management and Budget, 725  
17th Street, N.W., Washington, D.C.  
20503, Telephone Number: (202) 395-  
6104, FAX Number (202) 395-7230.  
Franklin D. Raines,  
*Director.*

Executive Office of the President

*Office of Management and Budget*  
Washington, D.C. 20503  
February 13, 1997.

Circular No. A-76 (Revised)

Transmittal Memorandum No. 17

To the Heads of Executive Departments and  
Agencies  
Subject: Performance of Commercial  
Activities

This Transmittal Memorandum updates the Federal pay raise assumptions and inflation factors used for the computing the Government's in-house personnel and non-pay costs, as generally provided in the President's Budget for Fiscal Year 1998. However, because the 1998 Budget did not specify 1999-2003 pay raises for civilian employees, *for purposes of A-76 cost comparison determinations only*, the civilian pay raise percentages for 1999-2003 shall be assumed to be the same as the military pay raise assumptions for the corresponding years as shown below. It should *not* be assumed that these civilian pay raises will be those that will be in effect for preparation of the FY 1999 Budget. Guidance on pay raise assumptions to use for the FY 1999 Budget will be issued to agencies prior to the Budget submission date.

Similarly, the non-pay inflation factors are for purposes of A-76 cost comparison determinations only. They reflect the generic non-pay inflation assumptions used to develop the FY 1998 Budget baseline estimates required by law. The law requires that a specific inflation factor (GNP fixed-weight FY/FY index) be used for this purpose. These inflation factors should not be viewed as estimates of expected inflation rates for major long-term procurement items or as an estimate of inflation for any particular agency's non-pay purchases mix.

The following factors should be applied per paragraph B, pages 19-21 of the OMB Circular A-76 Revised Supplemental Handbook (March 1996).

Federal pay raise assumptions effective date	Military/ civilian
January 1998 .....	2.8
January 1999 .....	3.0
January 2000 .....	3.0
January 2001 .....	3.0
January 2002 .....	3.0
January 2003 .....	3.0

#### *Non-Pay Categories (Supplies and Equipment, etc.)*

FY 1996 .....	2.2
FY 1997 .....	2.5
FY 1998 .....	2.6
FY 1999 .....	2.6
FY 2000 .....	2.6
FY 2001 .....	2.6

FY 2002 .....	2.6
FY 2003 .....	2.6

Geographic pay differentials received in 1997 shall be included for the development of in-house personnel costs. The above pay raise factors shall be applied after consideration is given to the geographic pay differentials. The pay raise factors provided for 1998 and beyond shall be applied to all employees, with no assumption being made as to how they will be distributed between possible locality and ECI-based increases.

These updates are effective as follows: all changes in the Transmittal Memorandum are effective immediately and shall apply to all cost comparisons in process where the Government's in-house cost estimate has not been publicly revealed before this date.

Agencies are reminded that OMB Circular No. A-76, Transmittal Memorandum 1 through Transmittal Memorandum 14 are canceled. Transmittal Memorandum No. 15 provided the Revised Supplemental Handbook, and is dated March 27, 1997 (Federal Register, April 1, 1996, pages 14338-14346). Transmittal Memorandum No. 16, which provided last year's OMB Circular A-76 Federal pay raise and inflation factor assumptions is also hereby canceled.

Sincerely,

Franklin D. Raines,  
*Director.*

[FR Doc. 97-4511 Filed 2-24-97; 8:45 am]

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## POSTAL SERVICE BOARD OF GOVERNORS

### Sunshine Act Meeting

**TIMES AND DATES:** 10:30 a.m., Monday, March 3, 1997; 8:30 a.m., Tuesday, March 4, 1997; and 8:00 a.m. Wednesday, March 5, 1997.

**PLACE:** Washington, D.C., U.S. Postal Service Headquarters, 475 L'Enfant Plaza, S.W., in the Benjamin Franklin Room.

**STATUS:** March 3 (Closed); March 4 (Open); March 5 (Closed).

#### MATTERS TO BE CONSIDERED:

Monday, March 3 - 10:30 a.m. (Closed)

1. Inspector General Functions.
2. Postal Rate Commission Docket No. C96-1, Pack & Send.
3. Postal Rate Commission Opinion and Recommended Decision on Special Services.
4. Exercising the Board's Reserved Approval Authority with Respect to Performance of a Prototype for the Tray Management System.
5. Contingency Planning.
6. Compensation Issues.

Tuesday, March 4 - 8:30 a.m. (Open)

1. Minutes of the Previous Meeting, February 3-4, 1997.
2. Remarks of the Postmaster General/Chief Executive Officer.

3. Consideration of Inspector General Functions.

4. Briefing on Customer Perfect!

5. Briefing on Procurement Policies.

6. Tentative Agenda for the April 7–8, 1997, meeting in New Orleans, Louisiana.

Wednesday, March 5 – 8:00 a.m.  
(Closed)

1. Continuation of Monday's Closed Agenda.

**CONTACT PERSON FOR MORE INFORMATION:**

Thomas J. Koerber, Secretary of the Board, U.S. Postal Service, 475 L'Enfant Plaza, S.W., Washington, D.C. 20260–1000. Telephone (202) 268–4800.

Thomas J. Koerber,  
Secretary.

[FR Doc. 97–4782 Filed 2–21–97; 2:01 pm]

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–38299; File No. SR–Amex–97–01]

### Self-Regulatory Organizations; Notice of Filing of, and Order Granting Accelerated Approval to, Proposed Rule Change by the American Stock Exchange, Inc. Relating to a Pilot Program for Execution of Specialists' Liquidating Transactions

February 18, 1997.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> notice is hereby given that on January 13, 1997, the American Stock Exchange, Inc. ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the self-regulatory organization. The Exchange submitted Amendment No. 1 on February 14, 1997.<sup>2</sup> The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and to grant accelerated approval to the proposed rule change.

#### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Amex is proposing permanent approval of the pilot program that amended Exchange Rule 170 to permit a specialist to effect a liquidating transaction on a zero minus tick,<sup>3</sup> in the case of a "long" position, or a zero plus tick,<sup>4</sup> when covering a "short" position, without Floor Official approval. The pilot program also amended Rule 170 to set forth the affirmative action that specialists are required to take subsequent to effecting various types of liquidating transactions. In the alternative, the Exchange is requesting a three-week extension of the pilot program.

The text of the proposed rule change is available at the Office of the Secretary, the Amex, and at the Commission.

#### II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item III below. The self-regulatory organization has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

##### A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

###### 1. Purpose

On November 15, 1996, the Commission approved an extension until February 14, 1997 of a pilot program that amended Exchange Rule 170 to permit a specialist to effect a liquidating transaction on a zero minus tick, in the case of a "long" position, or a zero plus tick, when covering a "short" position, without Floor Official approval.<sup>5</sup> The amendments also set forth the affirmative action that specialists are required to take

subsequent to effecting various types of liquidating transactions.

During the course of the pilot program, the Exchange has monitored compliance with the requirements of the Rule, and its findings in this regard have been forwarded to the Commission under separate cover. The Amex believes the amendments have provided specialists with flexibility in liquidating specialty stock positions in order to facilitate their ability to maintain fair and orderly markets, particularly during unusual market conditions. In addition, the specialist's concomitant obligation to participate as a dealer on the opposite side of the market after a liquidating transaction has been strengthened.

The Exchange is therefore proposing permanent approval of the amendments to Rule 170 or, in the alternative, a three-week extension of the pilot program.

###### 2. Statutory Basis

The Exchange believes the proposed rule change is consistent with Section 6(b) of the Act<sup>6</sup> in general and furthers the objectives of Section 6(b)(5)<sup>7</sup> in particular in that it is designed to promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market, and, in general, protect investors and the public interest. The Exchange also believes the proposed rule change is consistent with Section 11(b) of the Act<sup>8</sup> which allows exchanges to promulgate rules relating to specialists in order to maintain fair and orderly markets.

##### B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange believes the proposed rule change will impose no burden on competition.

##### C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

The Exchange has neither solicited nor received written comments with respect to the proposed rule change.

#### III. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of the

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> See letter from Claudia Crowley, Special Counsel, Amex, to Anthony P. Pecora, Attorney, Division of Market Regulation, SEC, dated February 14, 1997 ("Amendment No. 1"). Amendment No. 1 modified the proposed rule change by granting the Commission the authority to extend the specialist liquidating pilot program for up to three weeks as an alternative to permanent approval of the pilot program.

<sup>3</sup> A zero minus tick is a price equal to the last sale where the last preceding transaction at a different price was at a higher price.

<sup>4</sup> A zero plus tick is a price equal to the last sale where the last preceding transaction at a different price was at a lower price.

<sup>5</sup> Securities Exchange Act Release No. 37958 (Nov. 15, 1996), 61 FR 59476 (approving File No. SR–Amex–96–42) ("November 1996 Approval Order").

<sup>6</sup> 15 U.S.C. 78f(b).

<sup>7</sup> 15 U.S.C. 78f(b)(15).

<sup>8</sup> 15 U.S.C. 78k(b).