

### Cooperative Agreement

Based on the recommendations of the Review Group, the FHWA will identify those Pilot Program proposals which have the greatest potential for promoting the objectives of the Pilot Program, including demonstrating the effects of value pricing on driver behavior, traffic volume, ridesharing, transit ridership, air quality, availability of funds for transportation programs, and other measures of the effects of value pricing. Those Pilot Program candidates will then be invited to enter into negotiations with the FHWA to develop a cooperative agreement under which the scope of work for the value pricing program will be defined. The cooperative agreement will be governed by the Federal statutes and regulations cited in the agreement and 49 CFR part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, as they relate to the acceptance and use of Federal funds for this program.

Prior to FHWA approval of pricing project implementation, value pricing programs must be shown to be consistent with Federal metropolitan and statewide planning requirements.

Projects outside metropolitan areas must be included in the approved statewide transportation improvement program and be selected in accordance with the requirements set forth in section 1204(f)(3) of TEA-21.

Those in metropolitan areas must be:

- (a) Included in, or consistent with, the approved metropolitan transportation plan (if the area is in nonattainment for a transportation related pollutant, the metro plan must be in conformance with the State air quality implementation plan);
- (b) included in the approved metro and statewide transportation improvement programs (if the metro area is in nonattainment for a transportation related pollutant, the metro transportation improvement program must be in conformance with the State air quality implementation plan);
- (c) selected in accordance with the requirements in Pub.L. No. 105-178, section 1203(h)(5) or (i)(2); and
- (d) consistent with any existing congestion management system in transportation management areas, developed pursuant to 23 U.S.C. 134(i)(3).

(Authority: 23 U.S.C. 315; sec. 1216(a), Pub. L. 105-178, 112 Stat. 107; 49 CFR 1.48).

Issued on: September 24, 1998.

**Kenneth R. Wykle,**  
Federal Highway Administration,  
Administrator.

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### DEPARTMENT OF THE TREASURY

#### Office of the Secretary

#### List of Countries Requiring Cooperation With an International Boycott

In order to comply with the mandate of section 999(a)(3) of the Internal Revenue Code of 1986, the Department of the Treasury is publishing a current list of countries which may require participation in, or cooperation with, an international boycott (within the meaning of section 999(b)(3) of the Internal Revenue Code of 1986).

On the basis of the best information currently available to the Department of the Treasury, the following countries may require participation in, or cooperation with, an international boycott (within the meaning of section 999(b)(3) of the Internal Revenue Code of 1986)

Bahrain  
Iraq  
Kuwait  
Lebanon  
Libya  
Oman  
Qatar  
Saudi Arabia  
Syria  
United Arab Emirates  
Yemen, Republic of

Dated: September 28, 1998.

**Philip West,**

*International Tax Counsel (Tax Policy).*

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### DEPARTMENT OF THE TREASURY

#### [Treasury Directive Number 74-06]

#### Home-to-Work Transportation Controls

September 15, 1998.

1. *Purpose.* This Directive establishes policy and sets forth responsibilities and reporting requirements concerning official use of Government passenger carriers, including motor vehicles, between an employee's residence and place of employment. This transportation is referred to as "home-to-work" in this Directive; this term also includes work-to-home transportation.

2. *Scope.* This Directive applies to all bureaus, the Departmental Offices (DO), the Office of Inspector General and the Office of the Inspector General for Tax Administration (all referred to herein as bureaus), with respect to the provision of home-to-work transportation to Treasury employees in normal duty (non-travel) status. This Directive does not apply to the use of a Government

passenger carrier in conformity with the Federal Travel Regulation (41 Code of Federal Regulations (CFR) part 301) in conjunction with official travel to perform temporary duty assignments outside the employee's commuting area and away from a designated or regular place of employment, nor does it apply where the Secretary has prescribed rules for incidental use, for other than official business, of vehicles owned or leased by the Government.

3. *Policy.* A Government passenger carrier (hereafter "Passenger Carrier") is a motor vehicle, aircraft, boat, ship, or other similar means of transportation that is owned or leased (including non-temporary duty rentals) by the Government, or has come into the possession of the Government by other means, including forfeiture or donation. Passenger carriers are to be used for official purposes only.

a. Use of a Passenger Carrier between an employee's residence and place of employment qualifies as transportation for an official purpose only in those situations permitted by 31 United States Code (U.S.C.) 1344. In the Department, this statute permits home-to-work transportation to be provided to the Secretary; and for other employees when the Secretary determines that:

(1) Home-to-work transportation for the Secretary's single principal deputy is appropriate;

(2) Transportation between residence and various locations is required for performance of field work, in accordance with applicable regulations;

(3) Transportation between residence and various locations is essential for safe and efficient performance of intelligence, counterintelligence, protective services or criminal law enforcement duties; or

(4) A clear and present danger, an emergency or other compelling operational considerations make home-to-work transportation essential to the conduct of official business.

b. Employees may use Passenger Carriers for home-to-work transportation only after a written determination permitting such use has been executed by the Secretary.

c. For home-to-work transportation provided under a determination made pursuant to paragraph 5.a, home-to-work transportation may be authorized only within a fifty mile commuting radius from the employee's place of employment. This restriction does not apply to situations contemplated in paragraphs 5.b, c, d, e or 6.

d. During home-to-work transportation provided under a determination made pursuant to paragraphs 5.a to 5.e, an employee may

share space only with other federal employees who are on official government business; no other passengers are permitted. During other official transportation or travel, bureau policies shall control who may be in a Passenger Carrier.

#### 4. Regulations.

a. The General Services Administration (GSA) has issued regulations governing home-to-work transportation at 41 CFR subpart 101-6.4. Copies of the regulations are available from the Office of Real and Personal Property Management (ORPPM) in DO. The regulations apply throughout the Department to home-to-work transportation authorized under paragraphs 5.a, 5.c, 5.d or 5.e below. The regulations define the following terms: passenger carrier; employee; residence; place of employment; field work; clear and present danger; emergency; and compelling operational considerations. Those definitions are incorporated here.

b. "Place of employment" includes, in addition to the regular worksite, other locations such as sites of meetings, conferences, etc. Transportation in a Passenger Carrier between residence and any such local site is "home-to-work" transportation for purposes of this Directive.

5. *Bases for Authorization.* The Secretary is the only official within the Department who may make a determination which authorizes the use of Passenger Carriers for home-to-work transportation of employees. The categories of determinations are listed below.

a. *Persons Engaged in Field Work.* Guidance on field work is in the GSA regulations at 41 CFR 101-6.405. The assignment of an employee to a field work position does not, of itself, entitle the employee to receive daily home-to-work transportation. In cases where field work is performed only on an intermittent basis, bureau procedures shall be established to ensure home-to-work transportation is used only on days when field work is actually performed by the employee. Determinations for the Internal Revenue Service dyed fuel program should be proposed as field work. A field work authorization cannot be used when:

(1) The employee's workday begins at the official government duty station; or  
(2) The employee normally commutes to a fixed location, however far removed from the employee's official duty station, except to a remote location that is accessible only by Government provided transportation.

b. *Intelligence, Counterintelligence, Protective Services or Criminal Law*

*Enforcement.* An employee who is engaged in Intelligence, Counterintelligence, Protective Services or Criminal Law Enforcement activities and who occupies a position for which transportation between residence and various locations is essential to the safe and efficient performance of those duties may be provided with home-to-work transportation only if the employee is so designated in a determination executed by the Secretary.

c. *Situations which present a clear and present danger.* (See 41 CFR 101-6.401(h)).

d. *Emergencies.* (See 41 CFR 101-6.401 (i)).

e. *Compelling operational considerations.* (See 41 CFR 101-6.401 (j)).

6. *Contingency Determinations.* Bureaus may require certain employees to be ready to respond to foreseeable, but sudden and immediate circumstances that arise without warning. In order to provide a capability to respond immediately, bureaus may prepare contingency determinations for execution in advance by the Secretary. Such contingency determinations will identify situations which, if and when they occur, will authorize designated employees to be provided with home-to-work transportation. Contingency determinations require development of administrative controls and supervisory review to prevent abuse. Contingency determinations may be based on situations which present a clear and present danger, emergency, or compelling operational considerations.

#### 7. Authorizing Home-To-Work Transportation.

a. A *determination* is the written finding executed by the Secretary which concludes that sufficient grounds exist to authorize an employee to use a Passenger Carrier for home-to-work transportation. A determination shall describe which employees are so authorized, and the basis for the authorization.

b. *The Deputy Assistant Secretary (Administration), Heads of Bureaus, the Inspector General and the Inspector General for Tax Administration,* (all referred to herein as bureau heads), shall submit requests for determinations in memorandum form to ORPPM. Each memorandum shall:

(1) Describe the types and numbers of employees who will be authorized to use the Passenger Carriers as well as the situations in which they will be used;

(2) Describe the reviews and administrative controls which will be relied upon to ensure that home-to-work

transportation is used solely for the purpose for which it is intended; and

(3) Contain the bureau head's assurance that the requested home-to-work determinations are necessary to the bureau's mission requirements, satisfy applicable statutes and regulations, and will not adversely impact on program budgets. This provision cannot be delegated.

c. A bureau must prepare a separate request for determination for each basis of authorization employed. Bureaus should note requirements specific to the following categories of determinations:

(1) *Field Work.* Home-to-work transportation for field work may be authorized either on an individual basis (by name and title of the employee) or on the basis of position. In field work positions where rapid turnover occurs, bureaus are encouraged to propose determinations by position rather than by individual. These proposed determinations must include sufficient information, such as the position title, number of positions to be authorized, location, and operational level where the work is to be performed.

(2) *Intelligence, Counterintelligence, Protective Services or Criminal Law Enforcement.* Bureau heads shall submit consolidated requests for determinations setting forth the number of positions for which home-to-work transportation authority is requested. Each request shall describe the specific Intelligence, Counterintelligence, Protective Services or Criminal Law Enforcement duties and responsibilities involved as the basis for requiring home-to-work transportation. ORPPM, in consultation with the Office of Enforcement, shall provide a model determination memorandum to the bureaus for their guidance.

(3) *Contingencies.* When a contingency determination is exercised, it must be supplemented by the information on the specific situation required by 41 CFR 101-6.403(c), if not already set out in the determination.

d. *ORPPM* will review all requests for determinations for conformance with provisions of applicable statutes and regulations, as well as this directive. Requests which cite Intelligence, Counterintelligence, Protective Services or Criminal Law Enforcement as justification will be jointly reviewed with Office of Enforcement. The products of such reviews will be memoranda to the Assistant Secretary for Management and Chief Financial Officer (and the Undersecretary of Enforcement where law enforcement bureaus are involved) which recommend either forwarding the request(s) to the Secretary for a

determination or returning them to the bureau for further development.

8. *Timetable for and Duration of Determinations.* An employee may be provided with home-to-work transportation only after a determination has been executed by the Secretary. Bureaus shall request determinations and renewals as follows.

a. Initial proposed determinations based on field work, Intelligence, Counterintelligence, Protective Services, Criminal Law Enforcement, or contingencies shall be submitted within 90 days after issuance of this Directive.

b. The duration of determinations authorized under paragraph 5.a is two years and for determinations authorized under paragraph 5.b it is five years. Requests for renewals shall be submitted to ORPPM no later than 60 days prior to expiration of these determinations. Requests for renewals shall be routed according to paragraph 7.b above.

c. Bureaus may submit supplemental requests for additional determinations for field work, Intelligence, Counterintelligence, Protective Services or Criminal Law Enforcement as required. Bureaus are urged to restrict the frequency of such requests.

d. Requests for emergency, clear and present danger, and compelling operational consideration determinations may be submitted at any time.

e. A determination based on clear and present danger, an emergency, or a compelling operational consideration, shall not exceed 15 calendar days in duration. (The duration of a contingency determination begins with the first day of usage and expires 15 calendar days from that date, after which a new contingency determination must be requested.) Should the circumstances justifying home-to-work transportation continue, subsequent determinations of not more than 90 additional calendar days each may be approved by the Secretary. If, at the end of the subsequent determination, the underlying circumstances continue to exist, the Secretary may authorize an additional extension of 90 calendar days. This process may continue as long as required by the circumstances. If a bureau seeks such an extension, it shall use the format provided by ORPPM.

9. *Tax Matters.* The provision of home-to-work transportation, and/or parking provided for an official vehicle used for this purpose, to an employee may result in the attribution of "fringe benefit income" to the employee. See 26 U.S.C. 61 and 132(f), 26 CFR 1.61-21, 26 CFR 1.132-5, IRS Notice 94-3, and IRS Publication No. 535. Bureaus must

apply the cited provisions to determine if fringe benefit income is to be reported and how it is to be computed. Bureaus are responsible for keeping necessary records, reporting such income on W-2 forms, and performing any required withholding of taxes. Employees are liable for any taxes incurred.

10. *Responsibilities.*

a. *The Director, Office of Real and Personal Property Management,* shall prepare all notifications to Congress required by 31 U.S.C. 1344 for signature by the Assistant Secretary Management and Chief Financial Officer; and

b. *The Deputy Chief Financial Officer* shall include in the Accounting Principles and Standards Manual the requirements for reporting on W-2 forms any fringe benefit income attributable to home-to-work transportation.

c. *The Director, Administrative Operations Division,* DO, shall prepare a notification to Congress whenever the Secretary makes a designation authorizing a single principal deputy to receive home-to-work transportation. A change in the individual designated as a single principal deputy requires a notification. The notification shall be submitted to ORPPM for processing.

d. *Bureau Heads* shall determine which employees may be eligible to use home-to-work transportation and submit requests for determinations and renewals according to paragraph 7., and shall:

(1) Where authorizations have been made by position or by classification series, maintain records that identify the individual employees who are authorized home-to-work transportation;

(2) Develop procedures and financial reporting systems for employees utilizing home-to-work transportation to comply with tax laws and regulations, and prepare any required W-2 forms; and

(3) Fulfill labor relations responsibilities.

11. *Record Keeping Requirements.* The Department is required by law to maintain logs or other records to establish the official purpose of home-to-work transportation. Bureaus shall maintain daily mileage logs and other records necessary to establish that home-to-work transportation was used for official purposes. The logs shall contain the name and title of the employee (or other identification, if confidential), who is assigned the passenger vehicle; the name and title of the person authorizing the use; the passenger carrier identification; and the date(s) of assignment. Beyond that, the logs shall record all usage of the

passenger carrier outside of the normal scheduled tour of duty hours of the individual to whom the carrier was assigned. The logs and other records shall be accessible for audit, except where on-going criminal investigations could be compromised.

Record keeping for home-to-work transportation authorized under paragraphs 5.a, 5.c, 5.d or 5.e shall be established and maintained in accordance with the requirements of 41 CFR 101-6.403. See also paragraph 9 for tax-related record keeping requirements.

12. *Authorities.*

a. 31 U.S.C. 1344.

b. 41 CFR part 101-6.4.

c. 26 U.S.C. 61 and 132(f).

d. 26 CFR. 1.61-21; 26 CFR 1.132-5.

13. *No Private Rights Created.* This Directive is for the internal management of the Department and does not create any right or benefit, substantive or procedural, enforceable by an employee or any other party against the Department.

14. *Expiration Date.* This Directive shall expire three years from the date of issuance unless superseded or canceled prior to that date.

15. *Office of Primary Interest.* Office of Real and Personal Property Management, Office of the Deputy Assistant Secretary (Management Operations), Office of the Assistant Secretary (Management) and Chief Financial Officer.

**Nancy Killefer,**

*Assistant Secretary Management and Chief Financial Officer.*

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## DEPARTMENT OF THE TREASURY

### Customs Service

#### List of Foreign Entities Violating Textile Transshipment and Country of Origin Rules

**AGENCY:** U.S. Customs Service, Department of the Treasury.

**ACTION:** General notice.

**SUMMARY:** This document notifies the public of foreign entities which have been issued a penalty claim under section 592 of the Tariff Act, for certain violations of the customs laws. This list is authorized to be published by section 333 of the Uruguay Round Agreements Act.

**FOR FURTHER INFORMATION CONTACT:** For information regarding any of the operational aspects, contact Scott Greenberg, National Seizures and Penalties Officer, Seizures and Penalties