

existence, other Federal Agencies are required to use interest rates computed under the criteria established by the Renegotiation Act of 1971 Sec. 2, Pub. L. 92-41, 85 Stat. 97.

For example, the Contract Disputes Act of 1978 Sec. 12, Pub. L. 95-563, 92 Stat. 2389 and the Prompt Payment Act of 1982 Sec. 2, Pub. L. 97-177, 96 Stat. 85 provide for the calculation of interest due on claims at a rate established by the Secretary of the Treasury pursuant to 31 U.S.C. 3902(a).

Therefore, notice is hereby given that, pursuant to the above mentioned sections, the Secretary of the Treasury has determined that the rate of interest applicable for the purpose of said sections, for the period beginning January 1, 1999 and ending on June 30, 1999, is five per centum per annum.

Dated: December 22, 1998.

Donald V. Hammond,

Fiscal Assistant Secretary.

[FR Doc. 98-34492 Filed 12-30-98; 8:45 am]

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UNITED STATES INFORMATION AGENCY

Culturally Significant Objects Imported for Exhibition Determinations: "From Botany to Bouquets: Flowers in Northern Art"

ACTION: Notice.

SUMMARY: Notice is hereby given of the following determinations: Pursuant to the authority vested in me by the Act of October 19, 1965 (79 Stat. 985, 22 U.S.C. 2459), Executive Order 12047 of March 27, 1978 (43 FR 13359, March 29, 1978), and Delegation Order No. 85-5 of June 27, 1985 (50 FR 27393, July 2, 1985). I hereby determine that the objects to be included in the exhibit, "From Botany to Bouquets: Flowers in Northern Art," imported from abroad for the temporary exhibition without profit within the United States, are of cultural significance. These objects are imported pursuant to loan agreements with foreign lenders. I also determine that the exhibition or display of the exhibit objects at the National Gallery of Art in Washington, DC from January 31, 1999 to May 31, 1999. Is in the national interest. Public Notice of these Determinations is ordered to be published in the **Federal Register**.

FOR FURTHER INFORMATION CONTACT: For a copy of the list of exhibit objects or for further information, contact Nelia Sheahan, Assistant General Counsel, Office of the General Counsel, 202/619-5030, and the address is Room 700, U.S. Information Agency, 301 4th Street, S.W., Washington, D.C. 20547-0001.

Dated: December 23, 1998.

Les Jin,

General Counsel.

[FR Doc. 98-34555 Filed 12-30-98; 8:45 am]

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DEPARTMENT OF VETERANS AFFAIRS

Cost-of-Living Adjustments and Headstone or Marker Allowance Rate

AGENCY: Department of Veterans Affairs.

ACTION: Notice.

SUMMARY: As required by law, the Department of Veterans Affairs (VA) is hereby giving notice of cost-of-living adjustments (COLAs) in certain benefit rates and income limitations. These COLAs affect the pension, parents' dependency and indemnity compensation (DIC), and spina bifida programs. These adjustments are based on the rise in the Consumer Price Index (CPI) during the one year period ending September 30, 1998. VA is also giving notice of the maximum amount of reimbursement that may be paid for headstones or markers purchased in lieu of Government-furnished headstone or markers in Fiscal Year 1999, which began on October 1, 1998.

DATES: These COLAs are effective December 1, 1998. The headstone or marker allowance rate is effective October 1, 1998.

FOR FURTHER INFORMATION CONTACT: Paul Trowbridge, Consultant, Compensation and Pension Service (213B), Veterans Benefits Administration, Department of Veterans Affairs, 810 Vermont Avenue, NW, Washington, DC 20420, (202) 273-7218.

SUPPLEMENTARY INFORMATION: Under 38 U.S.C. 2306(d), VA may provide reimbursement for the cost of non-Government headstone or markers at a rate equal to the actual cost of the average actual cost of Government-furnished headstone or markers during the fiscal year preceding the fiscal year

in which the non-Government headstone or marker was purchased, whichever is less.

Section 8041 of Pub. L. 101-508 amended 38 U.S.C. 2306(d) to eliminate the payment of the monetary allowance in lieu of VA-provided headstone or marker for deaths occurring on or after November 1, 1990. However, in a precedent opinion (O. G. C. Prec. 17-90), VA's General Counsel held that there is no limitation period applicable to claims for benefits under the provisions of 38 U.S.C. 2306(d).

The average actual cost of Government-furnished headstones or markers during any fiscal year is determined by dividing the sum of VA costs during that fiscal year for procurement, transportation, and miscellaneous administration, inspection and support staff by the total number of headstones and markers procured by VA during that fiscal year and rounding to the nearest whole dollar amount.

The average actual cost of Government-furnished headstones or markers for Fiscal Year 1998 under the above computation method was \$96. Therefore, effective October 1, 1998, the maximum rate of reimbursement for non-Government headstones or markers purchased during Fiscal Year 1999 is \$96.

Cost of Living Adjustments

Under the provisions of 38 U.S.C. 5312 and section 306 of Pub. L. 95-588, VA is required to increase the benefit rates and income limitations in the pension and parents' DIC programs by the same percentage, and effective the same date, as increases in the benefit amounts payable under title II of the Social Security Act. The increased rates and income limitations are also required to be published in the **Federal Register**.

The Social Security Administration has announced that there will be a 1.3 percent cost-of-living increase in Social Security benefits effective December 1, 1998. Therefore, applying the same percentage and rounding up in accordance with 38 CFR 3.29, the following increased rates and income limitations for the VA pension and parents' DIC programs will be effective December 1, 1998:

TABLE 1.—IMPROVED PENSION

Maximum annual rates

(1) Veterans permanently and totally disabled (38 U.S.C. 1521):

Veteran with no dependents, \$8,778

Veteran with one dependent, \$11,497

TABLE 1.—IMPROVED PENSION—Continued

- For each additional dependent, \$1,496
- (2) Veterans in need of aid and attendance (38 U.S.C. 1521):
 Veteran with no dependents, \$14,647
 Veteran with one dependent, \$17,365
 For each additional dependent, \$1,496
- (3) Veterans who are housebound (38 U.S.C. 1521):
 Veteran with no dependents, \$10,729
 Veteran with one dependent, \$13,448
 For each additional dependent, \$1,496
- (4) Two veterans married to one another, combined rates (38 U.S.C. 1521):
 Neither veteran in need of aid and attendance or housebound, \$11,497
 Either veteran in need of aid and attendance, \$17,365
 Both veterans in need of aid and attendance, \$22,625
 Either veteran housebound, \$13,448
 Both veterans housebound, \$15,400
 One veteran housebound and one veteran in need of aid and attendance, \$19,313
 For each dependent child, \$1,496
- (5) Surviving spouse alone and with a child or children of the deceased veteran in custody of the surviving spouse (38 U.S.C. 1541):
 Surviving spouse alone, \$5,884
 Surviving spouse and one child in his or her custody, \$7,706
 For each additional child in his or her custody, \$1,496
- (6) Surviving spouses in need of aid and attendance 38 U.S.C. 1541):
 Surviving spouse alone, \$9,409
 Surviving spouse with one child in custody, \$11,227
 Surviving Spouse of Spanish-American War veteran alone, \$10,017
 Surviving Spouse of Spanish-American War veteran with one child in custody, \$11,834
 For each additional child in his or her custody, \$1,496
- (7) Surviving spouses who are housebound (38 U.S.C. 1541):
 Surviving spouse alone, \$7,194
 Surviving spouse and one child in his or her custody, \$9,011
 For each additional child in his or her custody, \$1,496
- (8) Surviving child alone (38 U.S.C. 1542, \$1,496.

Reduction for income. The rate payable is the applicable maximum rate minus the countable annual income of the eligible person (38 U.S.C. 1521, 1541, and 1542).

Mexican border period and World War I veterans. The applicable maximum annual rate payable to a Mexican border period or World War I veteran under this table shall be increased by \$1,989. (38 U.S.C. 1521(g))

Parents' DIC

DIC shall be paid monthly to parents of a deceased veteran in the following amounts (38 U.S.C. 1315):

Table 2

One parent. If there is only one parent, the monthly rate of DIC paid to such parent shall be \$418 reduced on the basis of the parent's annual income according to the following formula:

For each \$1 of annual income		
The \$418 monthly rate shall be reduced by	Which is more than	But not more than
\$0.00	0	\$800
.08	\$800	\$9,986

No DIC is payable under this table if annual income exceeds \$9,986.

One parent who has remarried. If there is only one parent and the parent has remarried and is living with the

parent's spouse, DIC shall be paid under Table 2 or under Table 4, whichever shall result in the greater benefit being paid to the veteran's parent. In the case of remarriage, the total combined annual income of the parent and the parent's spouse shall be counted in determining the monthly rate of DIC.

Two parents not living together. The rates in Table 3 apply to (1) two parents who are not living together, or (2) an unmarried parent when both parents are living and the other parent has remarried. The monthly rate of DIC paid to each such parent shall be \$301 reduced on the basis of each parent's annual income, according to the following formula:

Table 3

For each \$1 of annual income		But not more than
The \$301 monthly rate shall be reduced by	Which is more than	
\$0.00	0	\$800
.06	\$800	\$900
.07	\$900	\$1,100
.08	\$1,100	\$9,986

No DIC is payable under this table if annual income exceeds \$9,986.

Two parents living together or remarried parents living with spouses. The rates in Table 4 apply to each parent living with another parent; and

each remarried parent, when both parents are alive. The monthly rate of DIC paid to such parents will be \$282 reduced on the basis of the combined annual income of the two parents living together or the remarried parent or parents and spouse or spouses, as computed under the following formula:

TABLE 4

For each \$1 of annual income		
The \$282 monthly rate shall be reduced by	Which is more than	But not more than
\$.00	0	\$1,000
.03	\$1,000	\$1,500
.04	\$1,500	\$1,900
.05	\$1,900	\$2,400
.06	\$2,400	\$2,900
.07	\$2,900	\$3,200
.08	\$3,200	\$13,423

No DIC is payable under this table if combined annual income exceeds \$13,423.

The rates in this table are also applicable in the case of one surviving parent who has remarried, computed on the basis of the combined income of the parent and spouse, if this would be a greater benefit than that specified in Table 2 for one parent.

Aid and attendance. The monthly rate of DIC payable to a parent under Tables 2 through 4 shall be increased by \$224

if such parent is (1) a patient in a nursing home, or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person.

Minimum rate. The monthly rate of DIC payable to any parent under Tables 2 through 4 shall not be less than \$5.

Table 5.—Section 306 Pension Income Limitations

(1) Veteran or surviving spouse with no dependents, \$9,986 (Pub. L. 95-588, section 306(a)).

(2) Veteran with no dependents in need of aid and attendance, \$10,486 (38 U.S.C. 1521(d) as in effect on December 31, 1978).

(3) Veteran or surviving spouse with one or more dependents, \$13,423 (Pub. L. 95-588, section 306(a)).

(4) Veteran with one or more dependents in need of aid and

attendance, \$13,923 (38 U.S.C. 1521(d) as in effect on December 31, 1978).

(5) Child (no entitled veteran or surviving spouse), \$8,162 (Pub. L. 95-588, section 306(a)).

(6) Spouse income exclusion (38 CFR 3.262), \$3,185 (Pub. L. 95-588, section 306(a)(2)(B)).

Table 6.—Old-Law Pension Income Limitations

(1) Veteran or surviving spouse without dependents or an entitled child, \$8,741 (Pub. L. 95-588, section 306(b)).

(2) Veteran or surviving spouse with one or more dependents, \$12,602 (Pub. L. 95-588, section 306(b)).

Spina Bifida Benefits

Section 421 of Public Law 104-204 added a new chapter 18 to title 38, United States Code, authorizing VA to provide certain benefits, including a

monthly monetary allowance, to children born with spina bifida who are natural children of veterans who served in the Republic of Vietnam during the Vietnam era. Pursuant to 30 U.S.C. 1805(b)(3), spina bifida rates are subject to adjustment under the provisions of 38 U.S.C. 5312, which provides for the adjustment of certain VA benefit rates whenever there is an increase in benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 et seq.). Effective December 1, 1998, spina bifida monthly rates are as follows: Level I \$208, Level II \$725, Level III \$1,242.

Dated: December 15, 1998.

Togo D. West, Jr.,

Secretary of Veterans Affairs.

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