provides an acceptable level of safety may be used if approved by the Manager, Los Angeles ACO, FAA. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Los Angeles ACO.

Note 5: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Los Angeles ACO.

Special Flight Permits

(g) Special flight permits may be issued in accordance with §§ 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Incorporation by Reference

(h) Except as provided by paragraphs (d)(3) and (d)(4) of this AD, the actions shall be done in accordance with Boeing Alert Service Bulletin MD90–30A023, including Appendix, dated March 14, 2001. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from Boeing Commercial Aircraft Group, Long Beach Division, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Data and Service Management, Dept. C1–L5A (D800–0024). Copies may be inspected at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, California; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

Effective Date

(i) This amendment becomes effective on June 8, 2001.

Issued in Renton, Washington, on May 16, 2001.

Donald L. Riggin,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 01–12945 Filed 5–23–01; 8:45 am]

BILLING CODE 4910–13–U

DEPARTMENT OF THE TREASURY

Office of the Under Secretary for Domestic Finance

17 CFR Part 450

RIN 1505–AA82

Government Securities Act Regulations: Definition of Government Securities

AGENCY: Office of the Under Secretary for Domestic Finance, Treasury.

ACTION: Final rule.

SUMMARY: The Department of the Treasury (''Treasury,'' ''We,'' or ''Us'') is issuing in final form an amendment to the regulations issued under the Government Securities Act of 1986, as amended (''GSA''). Section 208 of the Gramm-Leach-Bliley Act amended the definition of the term ''government securities'' in the Securities Exchange Act of 1934, as it applies to a bank, to include qualified Canadian government obligations. To conform with this change in definition, we are issuing a technical amendment to Part 450 of the GSA regulations governing depository institutions' government securities holdings in custody for customers.

EFFECTIVE DATE: May 24, 2001.

ADDRESSES: You may download the final rule from Treasury's Bureau of the Public Debt website at the following address: www.publicdebt.treas.gov. It is also available for public inspection and copying at the Treasury Department Library, Room 1428, Main Treasury Building, 1500 Pennsylvania Avenue, NW., Washington, DC 20220. To visit the library, call (202) 622–0990 for an appointment.

FOR FURTHER INFORMATION CONTACT: Lori Santamorena (Executive Director), Lee Grandy (Associate Director), or Deidere Brewer (Government Securities Specialist), Bureau of the Public Debt, Government Securities Regulations Staff, (202) 691–3632.

SUPPLEMENTARY INFORMATION: This final rule deals with the recent change in definition of ''government securities'' in the Securities Exchange Act of 1934 (''the Exchange Act'') to include certain Canadian government obligations, as applied to banks. On February 26, 2001 (66 FR 11548), we published a proposed amendment to Part 450 of the GSA regulations. No comment letters were received. Therefore, we have decided to adopt the amendment unchanged from its proposed form. This statutory change affects two groups of GSA regulations—Subchapter A (17 CFR Parts 400–449), issued under Title I of the GSA, and Subchapter B (17 CFR Part 450), issued under Title II of the GSA—which we discuss separately. Because the statutory change is picked up automatically in Subchapter A, we are not making any regulatory change to Subchapter A. We are making a technical and clarifying change to Subchapter B.

Subchapter A

Title I of the Government Securities Act of 1986 [1] (Section 15C of the Exchange Act) requires ''government securities brokers'' and ''government securities dealers'' (which may include banks) to provide notice to their regulators and comply with the requirements prescribed by Treasury in 17 CFR, subchapter A, parts 400–449. Among those requirements is compliance with rules in subchapter B (part 450).[2]

Part 401 provides a series of exemptions for financial institutions. These exemptions include limited government securities brokerage and government securities dealer activities and certain repurchase transactions with customers. Thus, even if a financial institution does not provide notice as a government securities broker or dealer, it may be subject to Subchapter A by virtue of its reliance on the exemptions in Subchapter A. One of the conditions of these exemptions is that a financial institution must comply with the requirements in Subchapter B (Part 450).

The GSA amended the Exchange Act by adding a definition of the term ''government securities'' at section 3(a)(42) of the Exchange Act.[3] In Subchapter A of the implementing regulations for the GSA,[4] we defined ''government securities'' at § 400.3(m) [5] as having the meaning set out in section 3(a)(42) of the Exchange Act.

Section 208 of Title II, Subtitle A of the Gramm-Leach-Bliley Act [6] (the ''G–L–B Act'') amended the definition of ''government securities'' in the Exchange Act by adding a new subparagraph (E) at section 3(a)(42). The amendment provides that ''government securities'' means ''for purposes of sections 15, 15C and 17A as applied to a bank, a qualified Canadian government obligation as defined in section 5136 of the Revised Statutes of the United States.''

Because § 400.3(m) of the regulations currently defines ''government securities'' to have the meaning set out at section 3(a)(42) of the Exchange Act, the statutory change to include certain Canadian government obligations will now be automatically incorporated without requiring a technical change. Any U.S. banks that transact business in qualified Canadian government obligations, but not U.S. government securities, may now be subject to the GSA regulations (including the exemptions). U.S. banks currently transacting business in U.S. government securities are already subject to the GSA regulations.

[1] Pub. L. 99–571, 100 Stat. 3208 (1986).

[2] See 17 CFR 403.5(a), (d)(1)(vi).

[3] 15 U.S.C. 78c(a)(42).

[4] 52 FR 27910 (July 24, 1987).

[5] 17 CFR 400.3(m).

[6] Gramm-Leach-Bliley Act sec. 208; Pub. L. No. 106–102, 113 Stat. 1338 (1999).

Subchapter B

As noted above, Subchapter A of the regulations requires institutions subject to Subchapter A (*i.e.,* government securities brokers and dealers and exempt institutions) to also comply with the rules in Subchapter B. In addition, under Title II of the GSA (31 U.S.C. 3121(h), 9110) depository institutions that are not government securities brokers or dealers and that hold government securities for the account of customers must comply with the rules prescribed by Treasury in 17 CFR, subchapter B, part 450. Thus, there are three categories of institutions that must follow the rules in subchapter B—(a) financial institution government securities brokers and dealers (as required by the rules in Subchapter A), and (b) exempt financial institutions (also as required by the rules in Subchapter A), and (c) depository institutions that are not government securities brokers or dealers and that hold government securities for the account of customers.

Because two of these categories of institutions ((a) and (b)) are based on one statutory authority (Title I of the GSA), and the third category ((c)) is based on another statutory authority (Title II of the GSA), we are changing the definition of ''government securities'' in § 450.2(e) to take this into account. Section 450.2(e)(1), the definition applicable to institutions that are required under the rules in subchapter A to follow the subchapter B rules, will now include qualified Canadian government obligations. Section 450.2(e)(2) of the definition is narrower and does not include qualified Canadian government obligations. It is applicable to institutions that are required to follow the Subchapter B rules solely because of the requirements of Title II of the GSA.

Therefore, for institutions required to follow the rules in Subchapter B as a result of the requirements of subchapter A, § 450.2(e)(1)(i) and (e)(1)(ii) will extend the requirements of subchapter B to institutions holding qualified Canadian government obligations for customer accounts.

The G–L–B Act was enacted on November 12, 1999. The effective date of Subtitle A of Title II of the G–L–B Act is 18 months after enactment, or May 12, 2001. To minimize the period during which the amended regulation is not in effect and to encourage timely compliance by entities that may now be subject to our regulations, Treasury finds good cause exists as required under the Administrative Procedures Act (5 U.S.C. 553(d)) to make this final amendment to the GSA regulations effective on May 24, 2001.

Special Analysis

The final rule only makes a technical amendment to the GSA regulations to conform to a change in definition of the term ''government securities'' made by the G–L–B Act. Therefore, the final rule is not a ''significant regulatory action'' for the purposes of Executive Order 12866.

For the same reason it is hereby certified pursuant to 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. Accordingly, a regulatory flexibility analysis is not required.

List of Subjects in 17 CFR Part 450

Banks, banking, Government securities, Reporting and recordkeeping requirements.

For the reasons stated in the preamble, we amend 17 CFR part 450 as follows:

PART 450—CUSTODIAL HOLDINGS OF GOVERNMENT SECURITIES BY DEPOSITORY INSTITUTIONS

1. The authority citation for Part 450 is revised to read as follows:

Authority: Sec. 201, Pub. L. 99–571, 100 Stat. 3222–23 (31 U.S.C. 3121, 9110); Sec. 101, Pub. L. 99–571, 100 Stat. 3208 (15 U.S.C. 78o-5(b)(1)(A), (b)(4), (b)(5)(B)).

2. Section 450.2 is amended by revising paragraph (e) to read as follows:

§ 450.2 Definitions

* * * * *

(e) *Government securities* means:

If . . .	Then . . .
(1)(i) A depository institution is a government securities broker or dealer as defined in sections 3(a)(43) and 3(a)(44) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(43)–(44)).	''Government securities'' means those obligations described in subparagraphs (A), (B), (C), or (E) of section 3(a)(42) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(42)(A)–(C), (E))
(ii) A depository institution is exempt under Part 401 of this chapter from the requirements of Subchapter A.	''Government securities'' means those obligations described in subparagraphs (A), (B), (C), or (E) of section 3(a)(42) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(42)(A)–(C), (E))
(2) A depository institution is not a government securities broker or dealer as defined in sections 3(a)(43) and 3(a)(44) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(43)–(44)).	''Government securities'' means those obligations described in subparagraphs (A), (B), or (C) of section 3(a)(42) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(42)(A)–(C))

* * * * *

Dated: May 18, 2001.

Donald V. Hammond,

Acting Under Secretary, Domestic Finance.

[FR Doc. 01–13138 Filed 5–23–01; 8:45 am]

BILLING CODE 4810–39–P

DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Part 208

RIN 1010–AC70

Small Refiner Administrative Fee

AGENCY: Minerals Management Service, Interior.

ACTION: Final rule.

SUMMARY: The Minerals Management Service (MMS) is eliminating the cost recovery fees it charges small refiners to participate in the Small Refiner Royalty-in-Kind (RIK) Program. MMS believes these fees are no longer justified under the requirements of the Office of Management and Budget (OMB) Circular No. A–25.

EFFECTIVE DATE: This rule is effective June 25, 2001.

FOR FURTHER INFORMATION CONTACT: Paul A. Knueven, Chief, Regulations and FOIA Team, Minerals Management Service, Minerals Revenue Management, P.O. Box 25165, MS 320B2, Denver, Colorado 80225–0165; telephone (303)