

(b) Copy or record to be retained. . . . If the person subject to the record retention requirement of this paragraph (b) is a corporation or a partnership which is dissolved before completion of the 3-year period, then all persons who under state law are responsible for the winding up of the affairs of the corporation or partnership shall be subject, on behalf of the corporation or partnership, to these record retention requirements until completion of the 3-year period. If state law does not specify any person or persons as responsible for winding up, then, collectively, the directors or general partners shall be subject, on behalf of the corporation or partnership, to the record retention requirements of this paragraph (b). For purposes of the penalty imposed by section 6695(d), such designated persons shall be deemed to be the income tax return preparer and will be jointly and severally liable for each failure.

Regulations on Procedure and Administration

PART 301—[AMENDED]

Par. 2. Section 301.7216-2 is amended as follows:

(1) Paragraph (c)(2) is redesignated as (c)(3) and a new paragraph (c)(2) is added as set forth below:

(2) Paragraph (d) is amended by removing the period at the end thereof and adding ", or before any grand jury which may be convened by the court."

§ 301.7216-2 Disclosure or use without formal consent of taxpayer.

(c) Disclosure pursuant to an order of a court or a Federal or State agency.

(2) A subpoena issued by a grand jury, Federal or State, or

This Treasury decision is issued under the authority contained in sections 7216(b)(3) and 7805 of the Internal Revenue Code of 1954 (85 Stat. 529; 26 U.S.C. 7216 and 68A Stat. 917; 26 U.S.C. 7805).

Roscoe L. Egger, Jr., Commissioner of Internal Revenue.

Approved: February 15, 1984. John E. Chapoton, Assistant Secretary of the Treasury. [FR Doc. 84-6272 Filed 3-7-84; 8:45 am] BILLING CODE 4830-01-M

DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Parts 218 and 256

Collection of Royalties, Rentals, Bonuses, and Other Monies Due the Federal Government From Outer Continental Shelf (OCS) Leases

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Final rule.

SUMMARY: The MMS is publishing this final rule requiring all offshore lessees/payors to remit to MMS by electronic funds transfer (EFT) all royalty payments in the amount of \$50,000 or more. Payment of the four-fifths bonus and the first year's lease rental, regardless of amount, shall also be made by EFT.

This payment method will provide the U.S. Treasury with funds on the actual date of transfer rather than several days later, as is the case with current manual check-clearing procedures. It will also significantly improve MMS internal controls for handling receipt of payments.

The one-fifth bonus deposit is not to be paid by EFT. In addition, this regulation requires the Federal Government (Government) to pay interest on the one-fifth bonus bid if it is returned to the high bidder.

This final rule supersedes the interim final rule published on June 10, 1983, as 30 CFR 256.13 (48 FR 26778-26779) and subsequently redesignated as 30 CFR 218.155 on August 5, 1983 (48 FR 35639-35643), as part of an overall redesignation and reorganization of regulations in 30 CFR Chapter II.

In addition, paragraph (f) of 30 CFR 256.47 is amended to correctly reference this final rule.

EFFECTIVE DATE: March 8, 1984.

ADDRESS: Deputy Associate Director for Royalty Management (Policy), 12203 Sunrise Valley Drive, Mail Stop 660, Reston, Virginia 22091.

FOR FURTHER INFORMATION CONTACT: Mr. Ori L. Kelm, (703) 860-7511.

SUPPLEMENTARY INFORMATION: This rule requires EFT payment utilizing the Federal Reserve Communications System (FRCS) link to the Treasury Financial Communications System (TFCS), when the aggregated royalty amount payable to MMS on the payment due date is \$50,000 or more. EFT payments for royalties shall begin only after a payor is notified by MMS. All four-fifths bonus bid payments plus the first year's rentals are also to be made by EFT, beginning with lease offerings

after February 1, 1984. Further payment instructions for the four-fifths bonus bid plus the first year's rental will be provided in the notice of each lease offering.

Payors will not be held responsible for late payments resulting from actions beyond their control including mechanical or systems failure of the FRCS or TFCS. However, late payments resulting from a payor's action, such as improper coding instructions given to the bank to authorize EFT, will be the payor's responsibility.

Payments for rentals in any amount (except for the first year's rental), or for royalties totaling less than \$50,000 on payment due date, may be paid by EFT, check, bank draft, or money order payable to: "Department of the Interior—MMS." Please note that payment by EFT requires prior approval by the MMS Royalty Management Accounting Center in Lakewood, Colorado.

The interim final rule published on June 10, 1983, and effective July 11, 1983, provided for a 60-day public comment period which ended August 9, 1983. During that comment period fourteen (14) responses were received by MMS from lessees and other interested parties. All comments received during the 60-day period were considered in this final rulemaking, and the text of the 30 CFR Part 218 rule has been changed to reflect those comments where appropriate.

Comments Received on Interim Final Rule 30 CFR 256.13 (now 218.155)

(a) General Comments: Eight commentors expressed concern that the payor will not receive positive confirmation showing that the MMS has received the EFT payment and that the payment will not be properly credited to the payor's account. Of particular concern was the fear that leases might be cancelled for failure to make proper rental payments, due to some inadvertent error. Also of concern was the possibility that, in the case of lease offerings, a successful high bid could be rejected due to an EFT payment error.

The MMS recognizes these concerns and has taken steps to prevent potential problems. The MMS Accounting Center will notify the appropriate OCS regional office of receipt of all EFT bonus (four-fifths) and first year rental payments on the same business day of receipt. When MMS records indicate that payment has not been received by the due date, MMS will notify the bidder. A 2-day grace period is provided for completing the payment. Late payment charges and penalties will be assessed, however, if it

is determined that the delay is the payor's fault or the fault of the payor's bank (agent).

A related concern, expressed by several commentors, was how MMS could match payments made by EFT to the supporting documentation and report forms submitted separately by the payor.

The payor, when instructed by MMS to begin making payments by EFT, will be given specific coding instructions for the message to be transmitted with the EFT payment. The MMS will match the EFT payment coding information with the proper Form(s) MMS-2014 or other data submitted by the payor. If all payments are properly made when due, MMS will not contact the payor. If, however, any problem should occur, MMS will immediately contact the payor to begin the process of reconciliation. Should any payor desire to verify that a particular payment has been satisfactorily made the payor can contact the MMS Accounting Operations Division, Lakewood, Colorado, for confirmation.

One commentor stated that the payor should always have the right to deliver payment in cash or any other manner acceptable to MMS if a safe and timely EFT payment cannot be made.

If problems occur with the EFT system, MMS will determine, at that time, whether an alternate method of payment should be made and will in turn notify the payor.

One commentor suggested that the EFT payment system should be extended to all payments for Federal and Indian mineral leases.

The MMS may eventually expand the EFT payment system to include all (or more) payments, but this will not be done until MMS has had sufficient experience to evaluate the effect of this system on the cash management and internal control objectives of MMS.

One commentor indicated that there was an apparent contradiction in the interim final rule. Specifically, this commentor took issue with the MMS statement that the economic effect of the rule was deemed not significant while simultaneously stating that there would be substantial savings to the Government.

Under Executive Order 12291 a major rule is defined as, among other things, a regulation that is likely to result in an annual effect on the economy of \$100 million or more. This rulemaking is estimated to save the Government a little less than \$5 million per year which is substantial but is not significant enough to constitute a major rule.

One commentor objected to the use of EFT, stating that it would be

substantially more expensive to all payors due to the need to insure internal control and the monitoring of payments. This commentor suggested either retaining the present method of making payments by check, or offering payors the option of using the "Automated Clearing House" (ACH) payment system.

The present method of payment by check or the use of the ACH system does not satisfy the MMS purpose to provide the U.S. Treasury with funds on the actual date of transfer. To make the transition less burdensome, MMS has relaxed the interim rule by making EFT mandatory only for payments of (a) royalties of \$50,000 or more and (b) the four-fifths bonus bid plus the first year's rental.

One commentor objected to the loss of check clearing float time as an abrogation of the sanctity of contracts and suggested that two additional payment days be granted to make up for this lost float time.

The MMS disagrees. This rule will simply expedite receipt of the amount rightfully due the Government on a certain date and does not contradict any lease term.

(b) *Specific Comments:* The following comments and responses are grouped by the applicable paragraph of § 218.155. Please note that the interim final regulation was published at 30 CFR Part 256 and the final regulation is published at 30 CFR Part 218. Please also note that the format of the rule has been changed. For example, § 218.155(b) does not entirely correspond to what was formerly § 256.13(b) in the interim final rule.

#### *Section 218.155, Paragraph (a)*

Seven commentors expressed concern that aggregating corporate wide payments would create severe logistical and accounting problems because most large corporations have multiple payments and disbursement centers.

It is not the intention of MMS to force corporations to disrupt their present operations. Some corporations have several payor codes, each representing a division or a group of divisions or disbursement centers. The aggregated \$50,000 payment floor for EFT payments applies to each payor code. Thus, each payor code will be treated as a separate entity for purposes of this rule.

Four commentors recommended greater payment flexibility, permitting any mineral revenue payment, at the discretion of the payor, regardless of size or timing, to be made by EFT.

The MMS agrees with this recommendation and payment for rentals of mineral lands, other than first

year rentals, may be made by EFT (or other means) at the option of the payor either prior to or on their due date. The EFT system has been recently enhanced to handle a larger volume of transactions and, therefore, smaller payments can now be handled without difficulty.

Three commentors suggested that the floor for payment by EFT be raised from \$50,000 to \$100,000. One of these commentors further suggested that the \$100,000 EFT payment floor apply only to individual, not aggregated, payments due.

Since the purpose of this rule is to maximize the immediate availability of funds to the U.S. Treasury, MMS rejected this comment.

One commentor suggested that the phrase "on payment due date" in paragraph (a) be changed to "on any given day" to make paragraph (a) consistent with paragraph (b), and to allow payments to be made before the payment due date at the discretion of the payor.

The phrase "on payment due date" was made consistent throughout and "any given day" was removed from the final rule. It is intended that EFT be required when the aggregated royalty liability on payment due date is \$50,000 or more. This does not preclude early payment by EFT of all or part of the amount so determined. If early payments are made, each portion of the aggregated amount must be paid by EFT even though each portion remitted is less than \$50,000.

One commentor stated that MMS lacks the authority to compel payment of rentals in aggregate because of the contractual nature of the lease.

MMS believes that it does have the authority under the Federal Oil and Gas Royalty Management Act of 1982, but the final rule has been modified so that it will not require the aggregation of rentals and their payment by EFT, except for the first year's rental paid with the four-fifths bonus bid amount. The MMS will accept rental payments by EFT, however, if the payor prefers to do so.

One commentor recommended that rentals be paid separately from royalties and earlier than the due date so that a payor would have sufficient time, prior to the due date, to verify that the MMS had received the lease rental. This would avoid any possibility of lease cancellation by MMS.

Under this final rule, rentals (other than the first-year's rental paid with the four-fifths bonus bid which must be paid by EFT) may be paid by several means, including EFT, either prior to or on the due date.

One commentor stated that payors should be given 90 days lead time prior to changing from present payment procedures to EFT so that the payor may rearrange its internal accounting procedures.

As indicated in paragraph (a)(3) of § 218.155, MMS will notify and give instructions to each payor when to begin payment. The MMS intends to give adequate notification and sufficient lead time before starting a payor on EFT.

#### *Section 218.155, Paragraph (b)*

Three commentors stated that MMS should utilize EFT if it is required to return the one-fifth bonus bid amount plus interest.

The MMS agrees and will make refunds by EFT upon request by the bidder.

Five commentors dealt with various aspects of the payment of interest by MMS on bonus bid and first-year rental monies. One of these recommended that MMS clarify that the words "returned for the convenience of the Government" to include lease sales cancelled by court orders or for any other reason not the fault of the high bidder.

The MMS did not use the term "for the convenience of the Government" in the final rule.

One commentor stated that the successful bidder should also receive interest on the bid deposit for lease issuance delays which are beyond their control and if such delays are continued, the bidder should have the option to withdraw the successful bid and obtain a refund which includes interest.

The MMS believes that the bidder should be cognizant that various difficulties, such as delays, are part of the normal risks of leasing property on public lands. These risks should be factored into the bidding. The MMS has, however, a 90-day limitation to announce the valid high bidder and to forward lease forms for execution. If this time limitation is exceeded, the high bids shall be considered rejected and will be returned with interest.

One commentor stated that unsuccessful bidders should also receive earned interest on deposited cash bids.

Unsuccessful bidders have their one-fifth bonus bid checks returned to them; the checks are not deposited by the Government. The payment of interest, therefore, would not be appropriate.

One commentor stated that the account in which deposits are held in escrow should earn interest rates competitive with short-term money market rates.

The amounts in the escrow account will be invested only in public debt securities. These Treasury bill type of

securities are competitive with money market rates.

One commentor stated that the interest payment provisions should have been effective upon publication of the interim final rule rather than being effective with lease offerings after January 1, 1984.

The MMS could not accept this recommendation because the logistics of making arrangements with the Department of the Treasury precluded implementation of an earlier date.

#### *Section 218.155, Paragraph (c)*

Four commentors objected to the 10 business day time period for paying the four-fifths bonus bid and the first year's rental.

The MMS agrees, and 11 business days will be allowed. This will give the bidder not less than 15 calendar days to make the payment.

Two commentors stated that the word "will" should be changed to "may," to allow MMS the discretion to waive penalties whenever late or improper payment is due to an inadvertent key punch or other clerical error by the payor's personnel.

It will be MMS policy to determine if there are mitigating reasons why a payment is late or improper before enforcing any penalty. The wording in the rule, however, will be retained to ensure that MMS has the authority to impose penalties when appropriate.

Three commentors expressed concern that the rule was not clear as to what is meant by "third party, mechanical, or systems failure errors."

The MMS regards any error occurring after the payor has given proper instructions to its bank and its bank has properly initiated the EFT, as such an error. However the final rule does not contain the term "third party . . . errors."

Two commentors stated that the noon e.s.t. deadline for EFT payments is too early in the day for west coast and Alaska payment to be made.

Since MMS has extended the time period from 10 to 11 business days for making payments, this problem should no longer be a concern. Payments from Alaska or the west coast can be made one day earlier, if necessary to meet the deadline.

One commentor asked that the detailed instructions for making payments of the four-fifths bonus bid, which MMS plans to include in the notice of each lease offering, be published in the Federal Register for public comment.

Such EFT operating instructions are published in the Federal Register for administrative and operational

guidance. For purposes of this regulation, public comments are not required under the Administrative Procedure Act. MMS would welcome recommendations for improvement of its procedures at any time.

One commentor asked that MMS define "business day."

"Business day" is now defined in the rule to mean a day on which the OCS regional office issuing the lease, is open for business. This definition if included in the rule at § 218.155(c).

One commentor stated that MMS should elaborate as to what evidence would be adequate to prove third party error.

The MMS does not feel this is necessary at this time. MMS expects to handle each incident individually and will evaluate the need for evidence at that time.

#### *Administrative Procedure Act*

Because this final rule reduces the obligations of payors, thus relieving restrictions currently in effect under the Interim Final Rule; and, because it is in the public interest to have this rule in effect prior to the next scheduled lease offering, the MMS has determined that the requirement for publication no less than 30 days before its effective date should be waived. Therefore, under provisions of 5 U.S.C. 553(d)(1) and (3) this final rule is effective immediately upon publication in the Federal Register.

#### *Executive Order 12291*

The Department has determined that this rule is not a major rule and does not, therefore, require the preparation of a regulatory impact analysis under Executive Order 12291 because it is estimated to result in a total economic effect of less than \$5 million annually. The total and individual economic effect is not deemed significant.

#### *Regulatory Flexibility Act*

The Department has also determined that this final rulemaking does not require a small entity flexibility analysis under the Regulatory Flexibility Act (5 U.S.C. 760 et seq.), because there will not be a substantial number of small entities affected and the economic impact on those affected will be insignificant. Offshore lessees are typically large corporations financially capable of investing the large amounts necessary for proper development of the leased property.

#### *National Environmental Policy Act of 1969*

It is hereby determined that this final rulemaking does not constitute a major

Federal action significantly affecting the quality of the human environment and that no detailed statement pursuant to Section 102(2)(c) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(c)) is required.

#### Paperwork Reduction Act of 1980

The Department has also determined that this final rulemaking does not constitute any action requiring collection of data and, therefore, the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 et seq.) does not apply.

#### List of Subjects

##### 30 CFR Part 218

Government contracts, Mineral royalties, Continental shelf, Public lands—mineral resources, Coal, Geothermal energy, EFT, Bids, Rentals, Payments.

##### 30 CFR Part 256

Administrative practice and procedure, Continental shelf, Government contracts, Mineral royalties, Oil and gas exploration, Pipelines, Public lands—mineral resources, Public lands—rights-of-way, Reporting and recordkeeping requirements, Surety bonds.

Under the authority of the Outer Continental Shelf Lands Act of 1953, as amended (43 U.S.C. 1331 et seq.), Parts 218 and 256 of Chapter II of Title 30 of the Code of Federal Regulations are amended as set forth below.

Dated: February 9, 1984.

Garrey E. Carruthers,

Assistant Secretary for Land and Minerals Management.

#### PART 218—[AMENDED]

1. Subpart D of 30 CFR Part 218 is amended by revising § 218.155 to read as follows:

##### § 218.155 Method of payment.

(a) *Payment of royalties.* (1) All payors (as defined in paragraph (a)(4)), whose aggregated royalty liability to the Minerals Management Service (MMS) on payment due date totals \$50,000 or more, must make payment by electronic funds transfer (EFT), through the Federal Reserve Communications System (FRCS) link to the Treasury Financial Communications System (TFCS), unless otherwise directed by the Secretary. Early payment prior to payment due date of all or a portion of the \$50,000 or more aggregated royalty liability is permitted, but the payment must be made by EFT.

(2) When the aggregated royalty liability on the payment due date totals less than \$50,000, payors must remit by

one of the methods described in paragraph (d) of this Section.

(3) Payments to MMS by EFT shall begin only after the payor has received instructions from the MMS Royalty Management Accounting Center in Lakewood, Colorado.

(4) A payor is defined as an entity which has been assigned a payor code number by the MMS—Royalty Management Accounting Center, in Denver, Colorado. A corporation may have one or more payor codes, each representing a division, group of divisions or a disbursement center.

(b) *Payment of the one-fifth bonus bid amount.* (1) Each lease bid must include a payment for the one-fifth bonus bid deposit amount unless the bidder is otherwise directed by the Secretary. Further instructions on how to make payment with the bid will be included in the notice of each lease offering. EFT cannot be used as a method of payment for the one-fifth bonus bid amount.

(2) Beginning with lease offerings held after February 1, 1984, the one-fifth bonus amount received from a high bidder shall be deposited into an escrow account created pursuant to an agreement between the Departments of the Interior and Treasury, pending acceptance or rejection of the bid. The one-fifth bonus funds will be invested in public debt securities. Investment of this amount by the U.S. Government does not indicate acceptance of the bid. The one-fifth bonus checks submitted with bids other than the highest valid bid shall be returned to respective bidders after bids are opened, recorded, and ranked. Return of such checks will not affect the status, validity, or ranking of bids. The one-fifth bonus bid amount received from any high bidder and held by the Government pending acceptance or rejection, will be returned with actual interest earned, if the bid is subsequently rejected. The interest accrued during the period held in the account pending acceptance or rejection of the bid will accrue to the Government when the bid is accepted.

(c) *Payment of the four-fifths bonus bid amount and the first year's rental.* Payment shall be made to MMS by EFT unless otherwise directed by the Secretary. The payment by EFT via the FRCS must be received by the Federal Reserve Bank of New York no later than noon, eastern standard time, on the 11th business day after receipt of the lease forms by the successful bidder. A "business day" is considered to be a day on which the OCS regional office issuing the lease is open for business. The lease will not be executed by the appropriate MMS official until payment is received. Failure to remit by EFT or as directed by

the Secretary within the time specified above will result in forfeiture of the one-fifth bonus bid amount and the lease will not be executed by the appropriate MMS official. Payors will not be held responsible for late payment due to actions beyond their control, such as mechanical or systems failure of FRCS or TFCS. Payors will be held responsible for incorrect actions of their bank which result in late payments. A 2-day grace period will be allowed to make up a deficient payment, but a late payment charge will be assessed for this late payment and a penalty will also be assessed if appropriate. Late payment charges will be assessed in accordance with Subpart B of this Part.

(d) *Payment of leased mineral land rentals (other than the first-year rental).* Each payor of rentals, in any amount, must use one of the following payment instruments made payable to "Department of the Interior—MMS".

- (1) Federal Reserve check;
- (2) Commercial check;
- (3) Money order;
- (4) Bank draft;
- (5) Cashier check;
- (6) Certified check; and
- (7) Electronic Funds Transfer (requires special instructions from the MMS Accounting Center before use).

(e) *General.* (1) Payors using the appropriate means of payment (EFT, check, etc.) may pay for multiple lease obligations with a single remittance but must ensure that the payment complies with Subpart B of this Part and the remittance advice adequately identifies the single payment. The format to be used for such identification will be provided by the MMS Accounting Center.

(2) Where to pay.  
(3) The mailing address for payments to MMS (other than EFT), is available through OCS field offices. This information can also be obtained by contacting the MMS Royalty Management Accounting Center, Denver Federal Center, at Lakewood, Colorado.

(4) Payments received after 4:00 pm, mountain standard time, are considered next day receipts.

(f) *Miscellaneous payments.* Payments shall be made to the manager of the appropriate Outer Continental Shelf field office by cash, check or bank draft payable to "Department of the Interior—MMS" for miscellaneous payments such as:

(1) Pipeline rights-of-way application filing fees and rentals, pipeline accessory site rentals and application fees, and other related costs.

(2) Filing and approval fees for transfers of interest in leases.

**PART 256—[AMENDED]**

2. 30 CFR Part 256 is amended by revising paragraph (f) of § 256.47 to read as follows:

**§ 256.47 [Amended]**

(f) Written notice of the authorized officer's action shall be transmitted promptly to those bidders whose deposits have been held. If a bid is accepted, such notice shall transmit three copies of the lease to the successful bidder. As provided in § 218.155, the bidder shall, not later than the 11th business day after receipt of the lease, execute the lease, pay the first-year's rental, and unless deferred, pay the balance of the bonus bid. The bidder shall also file a bond as required in § 256.58 of this title. Deposits and any interest accrued shall be refunded on high bids subsequently rejected.

[FR Doc. 84-6185 Filed 3-7-84; 8:45 am]  
BILLING CODE 4310-MR-M

**DEPARTMENT OF DEFENSE****Department of the Air Force****32 CFR Part 959****Restrictions on Foreign Intelligence Activities**

**AGENCY:** Department of the Air Force, Defense.

**ACTION:** Final rule.

**SUMMARY:** The Department of the Air Force is amending its regulations by removing Part 959—Restrictions on foreign intelligence activities, of Chapter VII, Title 32. The source document, Air Force Regulation (AFR) 200-19, has been revised. It is intended for internal guidance and has no applicability to the general public. This action is a result of departmental review in an effort to insure that only regulations having general applicability and legal effect are maintained in the Air Force portion of the Code of Federal Regulations.

**EFFECTIVE DATE:** March 8, 1984.

**FOR FURTHER INFORMATION CONTACT:** Colonel Polifka, HQ USAF/INYXM, Washington, D.C. 20330, telephone (202) 695-1395.

**SUPPLEMENTARY INFORMATION:** Accordingly, 32 CFR is amended by removing Part 959.

**List of Subjects in 32 CFR Part 959**

Foreign relations, National defense.

**PART 959—[REMOVED]**

**Authority:** 10 U.S.C. 6012.

Winnibel F. Holmes,

*Air Force Federal Register Liaison Officer.*

[FR Doc. 84-6258 Filed 3-7-84; 8:45 am]

BILLING CODE 3910-01-M

**LIBRARY OF CONGRESS****36 CFR Part 701****Procedures and Services; Use of the Library of Congress Name and Seals**

**AGENCY:** Library of Congress.

**ACTION:** Final rule.

**SUMMARY:** The Library of Congress is amending its regulations by adding new text to Title 36, Part 701, *Procedures and Service*. This revision is necessary to inform members of the public and other interested parties concerning the general provisions governing the use of the name "Library of Congress" and the use of the Library of Congress Seal and the official seal of the Library of Congress Trust Fund Board. The new text is intended to provide information of interest to the public or other parties in dealing with the Library of Congress.

**EFFECTIVE DATE:** April 9, 1984.

**FOR FURTHER INFORMATION CONTACT:** Howard Blancher, Executive Officer, Office of the Associate Librarian for Management (287-5560).

**SUPPLEMENTARY INFORMATION:** The use of the Library of Congress name for other than official use is prohibited except as specifically authorized by The Associate Librarian of Congress. The Library of Congress Seal shall be displayed only on official documents or publications of the Library. As a matter of policy, the official seal of the Library of Congress Trust Fund Board shall be affixed to documents of that body as prescribed by The Librarian of Congress.

**List of Subjects in 36 CFR Part 701**

Libraries, Library of Congress.

**PART 701—[AMENDED]**

Accordingly, pursuant to 2 U.S.C. 136, Title 36, Part 701 is amended by adding §§ 701.35 and 701.36 to read as follows:

**§ 701.35 Use of the Library of Congress name.**

(a) The name "Library of Congress" shall be used officially to represent the Library, its programs, projects, functions, activities, or elements thereof. The Library's name may be used only when it is in the interest of the Library. Any other use by any person(s) or

organization(s), except as provided in this section, is prohibited.

(b) Any individual(s) or organization(s), outside the Library wishing to use the Library's name shall submit a written proposal, by U.S. mail or hand delivery, to the Associate Librarian for National Programs, Library of Congress, Washington, D.C. 20540. The proposal shall be submitted at least 60 days in advance of the intended use and shall include, in addition to a copy or draft of the publicity statement, the following: (1) A detailed description of the intended use; (2) the name and telephone numbers of the individual responsible for the intended use, as well as for any arrangements and publicity associated with it; (3) the co-sponsor (if an individual or organization from outside the Library); (4) the speakers, performers (if appropriate); and (5) the date(s), location and intended distribution of publicity materials. After commenting on the appropriateness of the proposal, the Associate Librarian for National Programs will forward the proposal to The Associate Librarian of Congress for final approval or rejection.

(c) Where the contemplated activity or intended use of the Library's name is designed to raise gift funds for the Library, there shall be three (3) additional requirements:

(1) Publicity associated with the intended use shall clearly state the objective for such funds, shall be consistent with the policy expressed in paragraph (a) of this section, and, if the funds are to benefit a specific program in the Library, the publicity shall describe that program; and

(2) No individual(s) shall financially profit from such fund-raising endeavor.

(d) Any permission(s) granted shall apply only to the specific use for which granted. There shall be no blanket or open-ended permissions granted; each intended use shall be individually considered.

(e) If, after permission is granted, there is a breach or violation of any provisions or conditions of this section, The Associate Librarian of Congress shall withdraw permission and give written notice of such to the individual(s) identified in the written request as responsible for the arrangements and publicity.

(f) Whenever it is determined that any person or organization is engaged in or about to engage in an act or practice which constitutes or will constitute conduct prohibited by this section or a violation of any requirements of this section, the Library General Counsel shall take whatever steps are necessary, including seeking the assistance of the