(7) *Bonding and grounding central office cable entrances.* The RUS Telecommunications Engineering and Construction Manual (TE&CM) Section 810 provides bonding and grounding guidance for central office cable entrances. Splicing operations shall not be attempted before all metallic cable shield and strength members are bonded and grounded.

Dated: January 18, 1995.

Bob J. Nash,

Under Secretary, Rural Economic and Community Development.

[FR Doc. 95–1937 Filed 1–25–95; 8:45 am]

BILLING CODE 3410–15–P

Animal and Plant Health Inspection Service

9 CFR Part 92

[Docket No. 93–096–3]

Horses From Mexico; Quarantine Requirements

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Final rule.

SUMMARY: We are amending the regulations regarding the importation of horses from Mexico to remove the requirement that such horses be quarantined for not less than 7 days in vector-proof quarantine facilities before being imported into the United States. This action is warranted because Mexico has reported no cases of Venezuelan equine encephalomyelitis (VEE) in over a year, and we have determined that horses imported from Mexico without a 7-day quarantine will not pose a risk of transmitting VEE to horses in the United States.

EFFECTIVE DATE: February 16, 1995.

FOR FURTHER INFORMATION CONTACT: Dr. Joyce Bowling, Staff Veterinarian, Import-Export Animals Staff, National Center for Import-Export, Veterinary Services, APHIS, USDA, P.O. Drawer 810, Riverdale, MD 20783. The telephone number for the agency contact will change when agency offices in Hyattsville, MD, move to Riverdale, MD, during February. Telephone: (301) 436–8170 (Hyattsville); (301) 734–8170 (Riverdale).

SUPPLEMENTARY INFORMATION:

Background

The regulations in 9 CFR part 92, referred to below as the regulations, govern the importation into the United States of specified animals and animal products, including horses from Mexico, to prevent the introduction into the United States of various animal diseases.

On September 22, 1994, we published in the **Federal Register** (59 FR 48576–48577, Docket No. 93–096–2) a proposal to amend the regulations to remove the requirement that horses imported into the United States from Mexico be quarantined for not less than 7 days in a vector-free facility.

We also proposed to remove the requirement in § 92.324 that horses from Mexico intended for importation into the United States through land border ports be quarantined in Mexico at a facility approved by the Administrator of the Animal and Plant Health Inspection Service (APHIS) and constructed so as to prevent the entry of mosquitoes and other hematophagous insects.

We solicited comments concerning the proposed rule for 60 days ending November 21, 1994. The one comment we received by that date supported the rule as written.

Therefore, based on the rationale set forth in the proposed rule, we are adopting the provisions of the proposal as a final rule without change. Although a 7-day quarantine will no longer be required, horses from Mexico intended for importation into the United States, except those to be imported for immediate slaughter, must still be quarantined at a designated port until they (1) test negative to an official test for dourine, glanders, equine piroplasmosis, and equine infectious anemia; and (2) test negative to any other tests that may be required by APHIS. Additionally, all horses intended for importation from Mexico must be quarantined until they are inspected and found free from communicable disease and fever-tick infestation.

Effective Date

This is a substantive rule that removes restrictions and, pursuant to the provisions of 5 U.S.C. 553, may be made effective less than 30 days after publication in the **Federal Register**.

This rule removes the requirement that horses imported from Mexico be quarantined for 7 days at vector-proof quarantine facilities. This requirement is no longer necessary, due to the elimination of VEE in Mexico. Therefore, the Administrator of the Animal and Plant Health Inspection Service has determined that this rule should be effective 15 days after the date of publication in the **Federal Register**.

Executive Order 12866 and Regulatory Flexibility Act

This rule has been reviewed under Executive Order 12866. The rule has been determined to be not significant for purposes of Executive Order 12866 and, therefore, has not been reviewed by the Office of Management and Budget.

In accordance with 5 U.S.C. 604, we have performed a Final Regulatory Flexibility Analysis regarding the impact of this rule on small entities.

This rule removes the requirement that horses imported from Mexico be quarantined for 7 days at vector-proof quarantine facilities. No issues were raised by public comments in response to the Initial Regulatory Flexibility Analysis we published in our proposal, and we identified no significant alternatives to this rule.

Compared with the 5-month period from October 1992 through February 1993 (before the 7-day quarantine requirement was established), there was a significant decline in the number of horses imported from Mexico during the period from October 1993 through February 1994 (following establishment of the 7-day quarantine requirement). During the 1992/1993 5-month period, there were 3,772 horses imported from Mexico, compared with only 125 during the 1993/1994 5-month period. It is reasonable to assume that the additional costs associated with the quarantine were at least partially responsible for the reduction in the number of horses imported during the 1993/1994 period.

There is a $50 hourly fee for inspection services conducted in Mexico by APHIS veterinary medical officers (in addition to an APHIS per horse charge of $28.50). Assuming that APHIS services are rendered for 2 hours during each day of quarantine, and assuming an average quarantine period of 3 days prior to establishment of the 7-day quarantine, the reduction in user fee costs from the lifting of the restrictions due to VEE will be about $400 per shipment ($700 minus $300). For an average shipment of 40 horses, the savings in fees will be about $10 per head.

Other quarantine costs, such as for feed and handling, can also be expected to decrease by more than one-half once the 7-day quarantine is no longer required. Whereas quarantine costs prior to establishment of the 7-day quarantine averaged about $3 per head per day, we estimate that during the period following establishment of the 7-day quarantine period, these charges increased to between $5 and $10 per day, due to additional precautionary measures. Again assuming a 3-day

quarantine period prior to establishment of the 7-day quarantine, the savings in charges by removing the 7-day quarantine requirement will be between $26 and $61 per head ($35 minus $9, and $70 minus $9).

With the combined savings of reduced user fees and other quarantine charges, the removal of the VEE quarantine requirements will reduce importers' costs by an estimated $36 to $71 per head. Based on the average 1993 price of approximately $310 per head for horses imported from Mexico, these reduced costs will represent a savings of between 11 and 23 percent of the value of each horse.

Executive Order 12778

This rule has been reviewed under Executive Order 12778, Civil Justice Reform. This rule: (1) Preempts all State and local laws and regulations that are inconsistent with this rule; (2) has no retroactive effect; and (3) does not require administrative proceedings before parties may file suit in court challenging this rule.

Paperwork Reduction Act

This document contains no information collection or recordkeeping requirements under the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*).

List of Subjects in 9 CFR Part 92

Animal disease, Imports, Livestock, Poultry and poultry products, Quarantine, Reporting and recordkeeping requirements.

Accordingly, 9 CFR part 92 is amended as follows:

PART 92—IMPORTATION OF CERTAIN ANIMALS AND POULTRY AND CERTAIN ANIMAL AND POULTRY PRODUCTS; INSPECTION AND OTHER REQUIREMENTS FOR CERTAIN MEANS OF CONVEYANCE AND SHIPPING CONTAINERS THEREON

1. The authority citation for part 92 continues to read as follows:

Authority: 7 U.S.C. 1622; 19 U.S.C. 1306; 21 U.S.C. 102–105, 111, 114a, 134a, 134b, 134c, 134d, 134f, 135, 136, and 136a; 31 U.S.C. 9701; 7 CFR 2.17, 2.51, 371.2(d).

§ 92.308 [Amended]

2. In § 92.308, paragraph (a)(1) is amended by removing the reference ''§ 92.317'' and adding in its place the reference ''§§ 92.317 and 92.324''.

§ 92.324 [Amended]

3. In § 92.324, the first sentence is amended by removing the words '', for not less than 7 days and'' and by removing the words ''approved by the Administrator and constructed so as to prevent the entry of mosquitoes and other hematophagous insects''.

§ 92.326 [Amended]

4. In § 92.326, the first sentence is amended by removing the reference ''92.323, and 92.324'' and adding in its place the reference ''and 92.323''.

Done in Washington, DC, this 20th day of January 1995.

Terry L. Medley,

Acting Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 95–1976 Filed 1–25–95; 8:45 am]

BILLING CODE 3410–34–P–M

FEDERAL RESERVE SYSTEM

12 CFR Part 230

[Regulation DD; Docket No. R–0836]

Truth in Savings

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Interim rule.

SUMMARY: The Board has adopted an interim rule amending Regulation DD (Truth in Savings) to permit institutions to disclose an annual percentage yield (APY) equal to the contract interest rate for time accounts with maturities greater than one year that do not compound but require interest distributions at least annually. This interim rule does not apply to or affect institutions that permit but do not require (or that bar) interest distributions before maturity. This amendment resolves questions about the APY disclosure for these accounts during consideration of public comments on a related proposal published elsewhere in today's **Federal Register**.

EFFECTIVE DATE: January 18, 1995.

FOR FURTHER INFORMATION CONTACT: Jane Ahrens, Senior Attorney, Kyung Cho-Miller, or Obrea Otey Poindexter, Staff Attorneys, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, at (202) 452–3667 or 452–2412; for questions associated with the regulatory flexibility analysis, Gregory Elliehausen, Economist, Office of the Secretary, at (202) 452–2504; for the hearing impaired *only*, Dorothea Thompson, Telecommunications Device for the Deaf, at (202) 452–3544.

SUPPLEMENTARY INFORMATION:

I. Background

The Truth in Savings Act (12 U.S.C. 4301 et seq.) requires depository institutions to provide disclosures to consumers about their deposit accounts, including an annual percentage yield (APY) on interest-bearing accounts calculated under a method prescribed by the Board. The APY is the primary uniform measurement for comparison shopping among deposit accounts. The law also contains rules about advertising, including the advertising of accounts at depository institutions offered to consumers by deposit brokers. The Board's Regulation DD (12 CFR part 230), which was adopted in September 1992 and became effective in June 1993, implements the act. (See 57 FR 43337, September 21, 1992, and 58 FR 15077, March 19, 1993.)

In adopting Regulation DD, the Board considered various approaches for calculating the APY, reflecting several competing interests and concerns. The current APY formula is simple and easy to use. It assumes that interest remains on deposit until maturity. This assumption produces an APY that has the effect of reflecting the time value of money for accounts that remain on deposit until maturity. It does not always reflect the time value of money when there are interest payments prior to maturity.

II. Proposals Affecting the APY

As deposit brokers began complying with the APY formula and Regulation DD's advertising rules, the Securities Industry Association (SIA) asked the Board to reconsider how the APY is calculated. The SIA objected to the fact that, for multi-year certificates of deposit (CDs) that are noncompounding but pay interest at least annually, the formula produces an APY that is less than the contract interest rate. Disclosure of an APY lower than the interest rate did not, according to the SIA, always allow for meaningful comparison shopping among deposit accounts. The SIA believed that the APY should at least equal the contract interest rate.

In December 1993, the Board published a proposal that would have factored into the APY calculation the specific time intervals for interest paid on the account—that is, the time value of money (58 FR 64190, December 6, 1993); an additional internal rate of return formula would have been added to the regulation. The proposal also offered an alternative limited change in the APY disclosure for multi-year noncompounding CDs; under this approach, institutions would disclose an APY equal to the contract interest rate if the CDs paid interest at least annually. The proposal was withdrawn in May 1994, based on considerations of