are properly supported. Account 435.1 is closed to Account 219.2, Nonoperating Margins.

If the borrower elects to defer and amortize the cumulative effect in accordance with the provisions of Statement No. 71, the following entry shall be recorded:

Dr. 182.3, Other Regulatory Assets
  Cr. 228.3, Accumulated Provision for Pensions and Benefits

To record the deferral of the cumulative effect of implementing Statement No. 112 in accordance with the provisions of Statement No. 71.

Dr. 926, Employee Pensions and Benefits
Dr. 107, Construction Work in Progress
Dr. 108.8, Retirement Work in Progress
  Cr. 182.3, Other Regulatory Assets

To record the amortization of the cumulative effect of implementing Statement No. 112 as it is recovered through rates in accordance with Statement No. 71.

Dr. 926, Employee Pensions and Benefits
Dr. 107, Construction Work in Progress
Dr. 108.8, Retirement Work in Progress
  Cr. 228.3, Accumulated Provision for Pensions and Benefits

To record current period postemployment benefit expense.

Note: If postemployment benefits are accrued under the criteria set forth in Statement No. 43, this journal entry is made on a monthly basis. If, however, the accrual is based upon the provisions of Statement No. 5, this is a one-time entry unless the liability is reevaluated and subsequently adjusted.

629 *Investments in Debt and Equity Securities*

Statement of Financial Accounting Standards No. 115, Accounting for Certain Investments in Debt and Equity Securities (Statement No. 115), establishes the standards of financial accounting and reporting for investments in debt securities and for investments in equity securities that have readily determinable fair values. Statement No. 115 does not apply to investments in equity securities accounted for under the equity method nor to investments in consolidated subsidiaries.

At the time of acquisition, an entity must classify debt and equity securities into one of three categories: held-to-maturity, available-for-sale, or trading. At the balance sheet date, the appropriateness of the classifications must be reassessed.

Investments in debt securities are classified as held-to-maturity and are measured at amortized cost in the balance sheet only if the reporting entity has the positive intent and ability to hold these securities to maturity. Debt securities are not classified as held-to-maturity if the entity has the intent to hold the security only for an indefinite period; for example, if the security would become available for sale in response to changes in market interest rates and related changes in the security's prepayment risk, needs for liquidity, changes in the availability of and the yield on alternative investments, changes in funding sources and terms, and changes in foreign currency risk.

Investments in debt securities that are not classified as held-to-maturity and equity securities that have readily determinable fair values are classified as either trading securities or available-for-sale securities and are measured at fair value in the balance sheet. Trading securities are those securities that are bought and held principally for the purpose of selling them in the near future. Trading generally reflects active and frequent buying and selling and trading securities are generally used with the objective of generating profits on short-term differences in prices. Available-for-sale securities are those investments not classified as either trading securities or held-to-maturity securities.

Statement No. 115 requires unrealized holding gains and losses for trading securities to be included in earnings in the current period. Unrealized holding gains and losses for available-for-sale securities are excluded from earnings; however, they are reported as a net amount in a separate component of shareholders' equity until realized.

For individual securities classified as either available-for sale or held-to-maturity, an entity must determine whether a decline in the security's fair value below the amortized cost is other than temporary. If the decline in fair value is determined to be permanent, that is, it is probable that the entity will not be able to collect all amounts due under the contractual terms of the security, the realized loss is accounted for in earnings of the current period. The new cost basis is not adjusted upward for subsequent recoveries in the fair value. Subsequent increases in the fair value of available-for-sale securities are included in the separate component of equity. Subsequent decreases are also included in the separate component of equity.

All trading securities are reported as current assets in the balance sheet and individual held-to-maturity and available-for-sale securities are classified as either current or noncurrent, as appropriate. Cash flows from the purchase, sale, or maturity of available-for-sale securities and held-to-maturity securities are classified in the statement of cash flows as cash flows from investing activities and reported gross for each security classification.

Accounting Requirements

All RUS borrowers must adopt the accounting, reporting, and disclosure requirements set forth in Statement No. 115 as of the statement's implementation date. Unrealized holding gains or losses for trading securities shall be recorded in either Account 421, Miscellaneous Nonoperating Income, or Account 426.5, Other Deductions, as appropriate. Unrealized holding gains or losses for available-for-sale securities held by the corporate entity are recognized as a component of stockholder's equity in Account 215.1, Unrealized Gains and Losses—Debt and Equity Securities. A contra account of the investment account shall be debited or credited accordingly. Unrealized gains and losses for available-for-sale securities held in a decommissioning fund shall increase or decrease, as appropriate, the reported value of the fund.

Effective Date and Implementation

Statement No. 115 is effective for fiscal years beginning after December 15, 1993. At the beginning of the entity's fiscal year, the entity must classify its debt and equity securities on the basis of the entity's current intent. This statement may not be applied retroactively to prior years' financial statements. For fiscal years beginning prior to December 16, 1993, reporting entities are permitted to apply Statement No. 115 as of the end of a fiscal year for which annual financial statements have not previously been issued.

Dated: October 2, 1995.

Jill Long Thompson,

Under Secretary, Rural Economic and Community Development.

[FR Doc. 95–27006 Filed 10–31–95; 8:45 am]

BILLING CODE 3410–15–P

Animal and Plant Health Inspection Service

9 CFR Part 94

[Docket No. 95–050–2]

Uruguay; Change in Disease Status

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Final rule.

SUMMARY: We are amending the regulations to declare Uruguay free of rinderpest and foot-and-mouth disease. As part of this action, we are adding Uruguay to the list of countries that, although declared free of rinderpest and foot-and-mouth disease, are subject to restrictions on meat and other animal products offered for importation into the United States. Declaring Uruguay free of rinderpest and foot-and-mouth disease is appropriate because the last outbreak of foot-and-mouth disease in Uruguay occurred in 1990, there have been no vaccinations for foot-and-mouth disease in Uruguay since June 1994, and rinderpest has never existed in Uruguay. This rule will remove the prohibition on the importation into the United States, from Uruguay, of ruminants and fresh, chilled, and frozen meat of ruminants, although those importations would be subject to certain restrictions. This rule will also relieve certain prohibitions and restrictions on the importation, from Uruguay, of milk and milk products of ruminants.

EFFECTIVE DATE: November 16, 1995.

FOR FURTHER INFORMATION CONTACT: Dr. John Blackwell, Senior Staff Microbiologist, Import/Export Products, National Center for Import and Export, VS, APHIS, 4700 River Road Unit 40, Riverdale, MD 20737–1231, (301) 734–5875.

SUPPLEMENTARY INFORMATION:

Background

The regulations in 9 CFR 94 (referred to below as the regulations) govern the importation into the United States of specified animals and animal products in order to prevent the introduction into the United States of various animal diseases, including rinderpest and foot-and-mouth disease (FMD). Rinderpest and FMD are dangerous and destructive communicable diseases of ruminants and swine.

On August 4, 1995, we published in the Federal Register (60 FR 39890–39893, Docket No. 95–050–1) a proposal to amend the regulations by adding Uruguay to list in § 94.1(a)(2) of countries declared to be free of both rinderpest and FMD. In that document, we also proposed to add Uruguay to the list in § 94.11(a) of countries that, although declared free of rinderpest and FMD, are subject to special restrictions on the importation of their meat and other animal products into the United States.

We solicited comments concerning our proposal for 60 days ending October 3, 1995. We received 7 comments by that date. They were from industry associations, a beef importer, a meat-food processor, and representatives of the government of Uruguay. We carefully considered all of the comments we received. All comments were supportive of the proposed rule. However, one of the commenters requested additional information about some specific provisions of the proposed rule. That comment is discussed below.

Comment: The proposed rule did not completely review § 94.11 and the relevant elements of 9 CFR chapter 3 so we could efficiently review the existing regulations. The final rule must address the following key issues so we can fully understand the scope of efforts taken to reduce the risk of FMD:

(1) Uruguay must maintain strict border control.

(2) Uruguay must have a significant veterinary infrastructure including monitoring and surveillance for FMD. The Animal and Plant Health Inspection Service (APHIS) should have a presence in Uruguay to verify compliance efforts.

(3) There should be no commingling of animals or animal products, nor opportunity for commingling.

(4) APHIS should conduct ongoing assessments of the production capacity of Uruguay to provide early indication of efforts to circumvent restrictions regarding commingling of animals and animal products from other countries.

(5) All meat must be completely deboned and of the proper pH prior to export to ensure that FMD is neither present nor viable.

(6) Uruguayan slaughter and processing plants qualified to export to the United States must process meat and other animal products in accordance with all United States Department of Agriculture (USDA) and Food and Drug Administration regulations.

(7) APHIS must be prepared to act promptly if there is a foreign animal disease outbreak in the United States.

Response: In 1994, a team of APHIS officials traveled to Uruguay to conduct an on-site evaluation of the country's animal health program with regard to the rinderpest and FMD situation in Uruguay. The evaluation consisted of a review of Uruguay's veterinary services, diagnostic procedures, vaccination practices, and administration of laws and regulations intended to prevent the introduction of rinderpest and FMD into Uruguay through the importation of animals, meat, or animal products. The APHIS officials conducting the on-site evaluation concluded that Uruguay is free of rinderpest and FMD and that the country's veterinary infrastructure is exemplary.

The United States and Uruguay both belong to the Organization Internationale des Epizooties (OIE). Uruguay is required to report changes in animal health status to the OIE, and any such changes would be reported to the United States. In addition, the Food Safety and Inspection Service (FSIS), USDA, performs periodic inspections of the USDA-approved plants. APHIS can inquire of FSIS regarding the general condition of the plants and the health status of animals going to slaughter in the plants.

Further, the APHIS officials who visited Uruguay in 1994 evaluated all border crossing points and determined that the country's veterinary infrastructure is sufficient to maintain them. The regional sanitary situation also reduces the risk of FMD spreading into Uruguay. Argentina has not detected a focus of FMD since April of 1994. The last cases of FMD in the Brazilian States of Santa Catalina and Rio Grande do Sul occurred in December of 1993. Paraguay has recently completed one full year of clinical absence of the disease in all of its territory. Rinderpest has never occurred in Argentina, Brazil, or Paraguay.

Uruguay shares a common land border with countries that have not been declared free of FMD. Uruguay also supplements its national meat supply by importing fresh, chilled, and frozen meat of ruminants and swine from countries where rinderpest or FMD exists. Therefore, although Uruguay is free of rinderpest and FMD, Uruguay's meat and animal products are still subject to § 94.11 and parts of chapter 3 of 9 CFR. Section 94.11 requires that meat and other animal products imported into the United States from Uruguay are accompanied by a health certificate signed by a veterinary official of Uruguay confirming that they have not been commingled, directly or indirectly, with meat or animal products from a country where rinderpest or FMD exists. Section 94.11 and chapter 3 of 9 CFR require that meat and other animal products consigned to the United States by Uruguay must also be accompanied by a Department-approved foreign meat inspection certificate to ensure that they were derived from livestock which was inspected by a veterinarian before and after slaughter, were handled in a sanitary manner, and were otherwise in accordance with requirements equivalent to those in the Federal Meat Inspection Act and related regulations. In addition, chapter 3 requires that slaughtering and processing establishments in Uruguay must be certified in order to have their products imported into the United States. Certifications of establishments must be

renewed annually. These required certifications verify that the meat and other animal products being imported into the United States from Uruguay meet the conditions of our regulations.

The purpose of the requirements that all meat must be completely deboned and of the proper pH prior to export is to eliminate rinderpest and FMD disease organisms from the meat. These requirements do not apply to Uruguay, because the country has been declared free of rinderpest and FMD.

APHIS has an emergency programs staff which has developed procedures for decontamination, control, and eradication of FMD should an outbreak occur in the United States.

Therefore, based on the rationale set forth in the proposed rule and in this document, we are adopting the provisions of the proposal as a final rule.

Effective Date

This is a substantive rule that relieves 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 prohibition on the importation, from Uruguay, of ruminants and fresh, chilled, and frozen meat of ruminants into the United States from Uruguay and relieves restrictions on the importation, from Uruguay, of milk and milk products of ruminants. We have determined that approximately 2 weeks are needed to ensure that Animal and Plant Health Inspection Service personnel at ports of entry receive official notice of this change in the regulations. Therefore, the Administrator of the Animal and Plant Health Inspection Service has determined that this rule should be made effective 15 days after publication in the Federal Register.

Executive Order 12866 and Regulatory Flexibility Act

This rule has been reviewed under Executive Order 12866. For this action, the Office of Management and Budget has waived its review process required by Executive Order 12866.

This final rule amends the regulations in part 94 by adding Uruguay to the list of countries declared free of rinderpest and FMD. This action will remove the prohibition on the importation into the United States, from Uruguay, of ruminants and fresh, chilled, and frozen meat of ruminants, although these imports will be subject to certain restrictions. This rule will also relieve restrictions on the importation, from Uruguay, of milk and milk products of ruminants. This action will not relieve restrictions on the importation of live swine and fresh, chilled, and frozen meat of swine from Uruguay, because Uruguay has not been declared free of hog cholera.

The primary effects of this change in the regulations will be limited to bovine meat and prepared products. Swine and swine products are excluded because of restrictions due to hog cholera, and the United States has not imported any mutton, lamb, or goat meat from Uruguay in the last 2 years. This situation is not expected to change as a result of the rule.

This rule is expected to affect United States imports of various animal products from Uruguay, including embryos, semen, breeding animals, and other products.

The increase in beef imports resulting from the rule change is expected to have a minimal negative impact on producers, while benefitting consumers.

Uruguayan beef production is made up mostly of grass-fed product. Grass-fed animals take longer to reach slaughter weights and are lighter at slaughter than grain-fed cattle. As a result, although Uruguayan cattle inventories (10.4 million at the end of 1994) are about 10 percent of United States cattle inventories (103.3 million on January 1, 1995), Uruguayan beef production runs at only 2 to 4 percent of United States production. Uruguay currently exports one third of its beef production. However, Uruguay is not expected to exceed the 20,000 metric ton (MT) tariff-free quota limit for exports of beef into the United States established under the General Agreement on Tariffs and Trade (GATT).

Twenty-two percent of United States beef consumption goes into ''non table-cut'' applications, such as fast-food hamburgers and other prepared meats; 78 percent of United States beef consumption goes into consumer applications, such as steak and filet mignon, that require beef produced from grain-fed cattle. (Beef produced in the United States comes predominantly from grain-fed cattle and is used for higher-quality table-cuts.) Most of the beef exported from Uruguay is produced from grass-fed cattle and is suitable for lower-quality, non table-cut applications. However, select cuts of beef from grass-fed cattle may be of the same quality as cuts from grain-fed cattle. For the most part, beef exports from Uruguay will affect the market for non table-cut beef in the United States.

Beef and dairy farms and feedlot operators will experience the greatest impact as a result of the rule. According to Small Business Administration (SBA) criteria, beef and dairy farms with annual sales of less than $0.5 million are considered small. In 1992, 801,940 operations with beef cows were considered small. These small farms averaged sales of $20,976 in 1992, as opposed to average sales of $1.3 million on large farms.

Recent USDA data indicated that 152,500 dairy farms were considered small. In addition to the sale of dairy products, the sale of culled dairy cattle and young stock not retained for milking or breeding contributed to dairy farm income. In the worst case scenario, the rule change could produce a drop in net farm income of $15 on small beef farms and $83 on small dairy farms when imports were assumed to consist of beef from grass-fed cattle.

With regards to the sale of dairy products, the Department does not anticipate a major increase in exports of milk and milk products from Uruguay into the United States as a result of this rule change. Only about 10 percent of Uruguay's cow herd is made up of dairy cows, and it is expected that the increase in beef cattle returns will not significantly alter this situation. In addition, all dairy products imported into the United States are restricted by quotas except for casein, caseinate, and other casein derivatives (hereafter referred to as casein), which are dry milk products. The United States does not produce casein, but does import more than half of the casein produced in the world. Uruguay has not exported casein to the United States in recent years. Declaring Uruguay free of FMD is expected to have a minimal effect on the amount of casein imported into the United States.

According to the SBA, feedlots with sales of less than $1.5 million are considered small. Recent USDA data indicate that 30 percent of feedlots in the United States are considered small. In the worst case scenario, the rule change could produce a loss of $30 per year in gross sales for a small feedlot.

The impact of the rule on cattle dealers/haulers and cattle slaughterers/primary processors will be minimal because the reduction in the number of cattle marketed and the number of truck hauls required to move them will be very small in relation to the current numbers.

Under these circumstances, the Administrator of the Animal and Plant Health Inspection Service has determined that this action will not have a significant economic impact on a substantial number of small entities.

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 rule contains no information collection or recordkeeping requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

List of Subjects in 9 CFR Part 94

Animal diseases, Imports, Livestock, Meat and meat products, Milk, Poultry and poultry products, Reporting and recordkeeping requirements.

Accordingly, 9 CFR part 94 is amended as follows:

PART 94—RINDERPEST, FOOT-AND-MOUTH DISEASE, FOWL PEST (FOWL PLAGUE), VELOGENIC VISCEROTROPIC NEWCASTLE DISEASE, AFRICAN SWINE FEVER, HOG CHOLERA, AND BOVINE SPONGIFORM ENCEPHALOPATHY: PROHIBITED AND RESTRICTED IMPORTATIONS

1. The authority citation for part 94 continues to read as follows:

Authority: 7 U.S.C. 147a, 150ee, 161, 162, and 450; 19 U.S.C. 1306; 21 U.S.C. 111, 114a, 134a, 134b, 134c, 134f, 136, and 136a; 31 U.S.C. 9701; 42 U.S.C. 4331, 4332; 7 CFR 2.17, 2.51, and 371.2(d).

§ 94.1 [Amended]

2. In § 94.1, paragraph (a)(2) is amended by removing ''and Trust Territory of the Pacific Islands'' and adding ''Trust Territory of the Pacific Islands, and Uruguay'' in its place.

§ 94.11 [Amended]

5. In § 94.11, paragraph (a), the first sentence is amended by removing ''and Switzerland'' and adding ''Switzerland, and Uruguay'' in its place.

Done in Washington, DC, this 26th day of October 1995.

Lonnie J. King,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 95–27009 Filed 10–31–95; 8:45 am]

BILLING CODE 3410–34–P

9 CFR Part 161

[Docket No. 94–027–3]

Standards for Accredited Veterinarian Duties

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Technical amendment.

SUMMARY: We are making a technical amendment to correct an omission in the regulations regarding standards for accredited veterinarians.

EFFECTIVE DATE: November 1, 1995.

FOR FURTHER INFORMATION CONTACT: Dr. J.A. Heamon, Senior Staff Veterinarian, National Animal Health Programs, VS, APHIS, 4700 River Road Unit 43, Riverdale, MD, 20737–1231; (301) 734–6954.

SUPPLEMENTARY INFORMATION:

Background

In accordance with 9 CFR parts 160, 161, and 162 (referred to below as the regulations), some veterinarians are accredited by the Federal Government to cooperate with the Animal and Plant Health Inspection Service (APHIS) in controlling and preventing the spread of animal diseases throughout the country and internationally. Accredited veterinarians use their professional training in veterinary medicine to perform certain regulatory tasks.

As part of a final rule published in the Federal Register on August 4, 1995 (60 FR 39840–39842, Docket No. 94–027–2), and effective September 5, 1995, we revised the regulations in § 161.3(a) to allow accredited veterinarians to issue official animal health documents for up to 30 days after inspecting animals in herds or flocks under regular health maintenance programs and for up to 10 days after inspecting all other animals. When we revised that paragraph, we inadvertently failed to retain the provisions of the original paragraph that specified the conditions under which the subject animal must be inspected. It was never our intention to remove or modify those conditions, and no changes to those conditions were discussed in the final rule or in the proposed rule that preceded it (60 FR 13084–13086, Docket No. 94–027–1, published March 10, 1995). We are, therefore, amending the introductory text of § 161.3(a) to restore those provisions regarding the location and manner in which animals must be inspected.

List of Subjects in 9 CFR Part 161

Reporting and recordkeeping requirements, Veterinarians.

Accordingly, 9 CFR part 161 is amended as follows:

PART 161—REQUIREMENTS AND STANDARDS FOR ACCREDITED VETERINARIANS AND SUSPENSION OR REVOCATION OF SUCH ACCREDITATION

1. The authority citation for part 161 continues to read as follows:

Authority: 15 U.S.C. 1828; 21 U.S.C. 105, 111–114, 114a, 114a–1, 115, 116, 120, 121, 125, 134b, 134f, 612, and 613; 7 CFR 2.17, 2.51, and 371.2(d).

2. In § 161.3, at the end of the introductory text of paragraph (a), two new sentences are added after the first sentence to read as follows:

§ 161.3 Standards for accredited veterinarian duties.

* * * * *

(a) * * * Inspections under this paragraph must be conducted in a location that allows the accredited veterinarian sufficient space to observe the animal in such a manner as to detect abnormalities related to areas such as, but not limited to, locomotion, body excretion, respiration, and skin conditions. An accredited veterinarian shall examine each animal showing abnormalities, in order to determine whether or not there is clinical evidence compatible with the presence or absence of a communicable disease.

* * * * *

Done in Washington, DC, this 26th day of October 1995.

Lonnie J. King,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 95–27008 Filed 10–31–95; 8:45 am]

BILLING CODE 3410–34–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 92–ASW–01–AD; Amendment 39–9417; AD 95–22–09]

Airworthiness Directives; Boeing Defense and Space Group Helicopter Division Model 234 Series Helicopters

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment supersedes an existing airworthiness directive (AD), applicable to Boeing Defense and Space Group Helicopter Division (Boeing) Model 234 series helicopters, that currently requires inspections of the