

that the term "non-negotiable" be placed on any color illustration.

One comment addressed the requirement that "all negatives, plates, positives, digitized storage medium, graphic files, magnetic medium, optical storage devices, and any other thing used in the making of the illustration that contain an image of the illustration or any part thereof shall be destroyed and/or deleted or erased immediately after their final use in accordance with this section." Proposed 31 CFR 411.1(a)(4). Specifically, this comment questioned the need for the immediate destruction of such items. After careful consideration of this comment and in order to be consistent with 18 U.S.C. 504, the Secret Service has decided to remove the word "immediately" from the final rule. Therefore, both the final rule and 18 U.S.C. 504 require that such items be destroyed after their "final use" in accordance with each respective provision.

Another comment suggested that the proposed rule should be expanded by identifying certain kinds of illustrations that could be considered not to give rise to an inference of an intent to defraud. The Secret Service disagrees. It is the Secret Service's position that a single rule applicable to all color illustrations be implemented for the sake of simplicity and consistency. Such a rule will be more easily understood by the public than a rule which contains exceptions for various types of illustrations. Further, not all of the statutory sections concerning the reproduction of U.S. currency require that an intent to defraud be established in order for a violation of law to occur. See, e.g., 18 U.S.C. 474.

The final rule requires the color illustrations to comply with the current size restrictions set out in 18 U.S.C. 504. In addition, such color illustrations must be one-sided.

The exceptions established by this rule, like the exceptions set out in 18 U.S.C. 504, apply notwithstanding any other provision of chapter 25 of Title 18 of the U.S. Code. However, the criminal liability imposed by 18 U.S.C. 474 and other applicable sections of chapter 25 of Title 18 of the U.S. Code could apply where a color illustration of U.S. currency fails to meet the requirements imposed by this regulation.

It has been determined that this document is not a significant regulatory action under Executive Order 12866. This rule permits the color illustrations of U.S. currency, which heretofore were prohibited by law. Further, pursuant to section 605(b) of the Regulatory Flexibility Act and for the reasons set forth above, it is hereby certified that

this regulation will not have a significant economic impact on a substantial number of small entities.

Pursuant to 5 U.S.C. 553, it is also found and determined that good cause exists for not postponing the effective date of this rule 30 days after publication in the Federal Register because this rule permits a practice heretofore prohibited by statute.

List of Subjects in 31 CFR Part 411

Counterfeiting, Currency.

In consideration of the foregoing, the Secret Service amends title 31, chapter IV of the Code of Federal Regulations by adding part 411 as set forth below.

PART 411—COLOR ILLUSTRATIONS OF UNITED STATES CURRENCY

Authority: 18 U.S.C. 504; Treasury Directive Number 15-56, 58 FR 48539 (September 16, 1993)

§ 411.1 Color illustrations authorized.

(a) Notwithstanding any provision of chapter 25 of Title 18 of the U.S. Code, authority is hereby given for the printing, publishing or importation, or the making or importation of the necessary plates or items for such printing or publishing, of color illustrations of U.S. currency provided that:

- (1) The illustration be of a size less than three-fourths or more than one and one-half, in linear dimension, of each part of any matter so illustrated;
- (2) The illustration be one-sided; and
- (3) All negatives, plates, positives, digitized storage medium, graphic files, magnetic medium, optical storage devices, and any other thing used in the making of the illustration that contain an image of the illustration or any part thereof shall be destroyed and/or deleted or erased after their final use in accordance with this section.

(b) [Reserved].

Paul A. Hackenberry,
Assistant Director, Office of Investigations.
[FR Doc. 96-13693 Filed 5-30-96; 8:45 am]

BILLING CODE 4810-42-P

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 1

RIN 2900-A106

National Cemeteries

AGENCY: Department of Veterans Affairs.

ACTION: Final rule.

SUMMARY: This document amends Department of Veterans Affairs (VA)

national cemeteries regulations by eliminating provisions that simply restate statutory provisions of 38 U.S.C. 2306, 2400, 2401, 2402, 2407, and Chapter 83; by eliminating provisions that duplicate other regulations in 38 CFR 1.218-1.220, and by eliminating internal instructions not required to be published in the Federal Register.

EFFECTIVE DATE: May 31, 1996.

FOR FURTHER INFORMATION CONTACT: Mr. Ken Greenberg, Program Analyst, National Cemetery System, Executive Communications (402B1), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, (202) 273-5179 (this is not a toll-free number).

SUPPLEMENTARY INFORMATION: This final rule consists of nonsubstantive changes and, therefore, is not subject to the notice and comment and effective date provisions of 5 U.S.C. 553.

The Secretary hereby certifies that this final rule will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act, 5 U.S.C. 601-612. This final rule merely consists of nonsubstantive changes.

Catalog of Federal Domestic Assistance Numbers for programs affected by this regulation are 64.201, 64.202 and 64.203.

List of Subjects in 38 CFR Part 1

Administrative practice and procedures, Cemeteries, Claims, Privacy, Security.

Approved: May 17, 1996.

Jesse Brown,
Secretary of Veterans Affairs.

For the reasons set forth in the preamble, 38 CFR part 1 is amended to read as follows:

PART 1—GENERAL PROVISIONS

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

Authority: 38 U.S.C. 501(a), unless otherwise noted.

2. The authority citation immediately preceding §§ 1.600 to 1.633 is revised to read as follows:

Authority: Sections 1.601 to 1.633 issued under 38 U.S.C. 501, 2306, chapter 24.

§§ 1.600, 1.604, 1.631 [Removed]

3. Sections 1.600, 1.604, and 1.631 are removed.

§ 1.601 [Amended]

4. In § 1.601, paragraph (a) is removed; and paragraphs (b) and (c) are redesignated as paragraphs (a) and (b), respectively.

§ 1.603 [Amended]

5. In § 1.603, paragraphs (a) and (b) are removed; the paragraph designation (c) and its heading are removed; paragraphs (c)(1) and (c)(2) are redesignated as paragraphs (a) and (b), respectively; and newly redesignated paragraphs (a)(i), (a)(ii), (a)(iii), and (a)(iv) are redesignated as paragraphs (a)(1), (a)(2), (a)(3) and (a)(4), respectively.

6. Section 1.620 is revised to read as follows:

§ 1.620 Eligibility for burial.

Section 2402 of title 38, United States Code, bestows eligibility for burial in any open cemetery in the National Cemetery System. The following rules in paragraphs (a) through (c) of this section state conditions in addition to those imposed by statute. To be eligible for burial in a national cemetery:

(a) A United States citizen who served in an allied armed force, as provided in 38 U.S.C. 2402(4), must have been a citizen of the United States at the time of entry on such service and at the time of his or her death.

(b) A minor child of an eligible person, as provided in 38 U.S.C. 2402(5), must have been at the time of his or her death under 21 years old or under 23 years old if pursuing a course of instruction at an approved educational institution.

(c) An unmarried adult child of an eligible person, as provided in 38 U.S.C. 2402(5), must have been physically or mentally disabled and incapable of self support.

(Authority: 38 U.S.C. 2402)

§ 1.630 [Amended]

7. In § 1.630, paragraph (b) is amended by removing the second and third sentences.

[FR Doc. 96-13477 Filed 5-30-96; 8:45 am]

BILLING CODE 8320-01-P

38 CFR Part 1

RIN 2900-A109

Gender Policy for VA Publications and Other Communications

AGENCY: Department of Veterans Affairs.
ACTION: Final rule.

SUMMARY: This document amends regulations of the Department of Veterans Affairs (VA) by removing § 1.13 of 38 CFR. This section provided that VA publications and other communications must avoid using language referring only to the masculine gender when the feminine gender also

was intended to be included. This guidance was intended to avoid any incorrect appearance of seeming to preclude benefits for female veterans, dependents, or beneficiaries. Although, VA is fully committed to the gender-neutral concepts that were set forth in § 1.13, the material from § 1.13 is removed since the mandate from that section is being accomplished through internal issuances.

EFFECTIVE DATE: May 31, 1996.

FOR FURTHER INFORMATION CONTACT: Kenneth Hoffman, Director, Information Resources Management, Policy and Standards Service (045A3), Department of Veterans Affairs, 810 Vermont Avenue, NW., Washington, DC 20420, (202) 273-8129.

SUPPLEMENTARY INFORMATION: This final rule consists of nonsubstantive changes and, therefore, is not subject to the notice and comment and effective date provisions of 5 U.S.C. 553.

The Secretary hereby certifies that this final rule will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act (RFA), 5 U.S.C. 601-602. This final rule would not cause a significant effect on any entities since it does not contain any substantive provisions. Therefore, pursuant to 5 U.S.C. 605(b), this amendment is exempt from the initial and final regulatory flexibility analysis requirements of sections 603 and 604.

There are no Catalog of Federal Domestic Assistance program numbers for this regulation.

List of Subjects in 38 CFR Part 1

Administrative practice and procedure, Claims, Freedom of information, Government contracts, Government employees, Government property, Reporting and recordkeeping requirements.

Approved: May 13, 1996.

Jesse Brown,
Secretary of Veterans Affairs.

For the reasons set forth in the preamble, 38 CFR part 1 is amended as set forth below:

PART 1—GENERAL PROVISIONS

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

Authority: 38 U.S.C. 501(a), unless otherwise noted.

§ 1.131 [Removed]

2. The undesignated centerheading preceding § 1.13 and § 1.13 are removed.

[FR Doc. 96-13478 Filed 5-30-96; 8:45 am]

BILLING CODE 8320-01-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES**Health Care Financing Administration****42 CFR Part 417**

[OMC-004-F]

RIN 0938-AE64

Health Maintenance Organizations: Employer Contribution to HMOs

AGENCY: Health Care Financing Administration (HCFA), HHS.

ACTION: Final rule.

SUMMARY: This rule amends § 417.157 of the HCFA regulations, which pertains to employer contributions to health maintenance organizations (HMOs) that are included among the alternatives in health benefits plans that an employer offers to its employees.

These amendments are necessary to conform that section to changes made in section 1310(c) of the Public Health Service Act by section 7(a)(2) of the HMO Amendments of 1988.

The intent is to ensure that employees who choose the HMO alternative are not financially disadvantaged.

DATES: Effective Date: These regulations are effective on July 1, 1996.

FOR FURTHER INFORMATION, CONTACT: Marty Abeln, (410) 786-1032.

SUPPLEMENTARY INFORMATION:**I. Background**

Under section 1310 of the Public Health Service (PHS) Act, the following rules apply:

- Certain public and private employers that offer health benefits plans to their employees must include the option of enrollment in qualified health maintenance organizations (HMOs) if such HMOs request inclusion and their requests meet specified conditions as to content and timing (this is known as the "employer mandate" provision);

- The procedures for offering the HMO option must take into account the rules of collective bargaining; and

- No employer is required to contribute more for health benefits than would be required by any prevailing collective bargaining agreement or any other legally enforceable contract between the employer and the employees for health benefits.

These provisions are implemented by subpart E of part 417 of the HCFA rules. Section 417.157 of those rules provides that—

- The employer or designee must include the HMO option in the offering on terms no less favorable, with respect