meets the definition of a foreign trust set forth in section 7701(a)(31)(B).

(c) *Inadvertent migrations.* In the event of an inadvertent migration, as defined in § 301.7701–7(d)(2) of this chapter, a trust may avoid the application of this section by complying with the procedures set forth in § 301.7701–7(d)(2) of this chapter.

(d) *Examples.* The following examples illustrate the rules of this section. In all examples, *A* is a U.S. citizen, *B* is a U.S. citizen, *C* is a nonresident alien, and *T* is a trust. The examples are as follows:

Example 1. Migration of domestic trust with U.S. beneficiaries. A transfers property which has a fair market value of 1000X and an adjusted basis equal to 400X to *T*, a domestic trust, for the benefit of *A*'s children who are also U.S. citizens. *B* is the trustee of *T*. On January 1, 2001, while *A* is still alive, *B* resigns as trustee and *C* becomes successor trustee under the terms of the trust. Pursuant to § 301.7701–7(d) of this chapter, *T* becomes a foreign trust. *T* has U.S. beneficiaries within the meaning of § 1.679–2 and *A* is, therefore, treated as owning *FT* under section 679. Pursuant to § 1.684–3(a), neither *A* nor *T* is required to recognize gain at the time of the migration. Section 1.684–2(e) provides rules that may require *A* to recognize gain upon a subsequent change in the status of the trust.

Example 2. Migration of domestic trust with no U.S. beneficiaries. A transfers property which has a fair market value of 1000X and an adjusted basis equal to 400X to *T*, a domestic trust for the benefit of *A*'s mother who is not a citizen or resident of the United States. *T* is not treated as owned by another person. *B* is the trustee of *T*. On January 1, 2001, while *A* is still alive, *B* resigns as trustee and *C* becomes successor trustee under the terms of the trust. Pursuant to § 301.7701–7(d) of this chapter, *T* becomes a foreign trust, *FT*. *FT* has no U.S. beneficiaries within the meaning of § 1.679–2 and no person is treated as owning any portion of *FT*. *T* is required to recognize gain of 600X on January 1, 2001. Paragraph (c) of this section provides rules with respect to an inadvertent migration of a domestic trust.

§ 1.684–5 Effective date.

Sections 1.684–1 through 1.684–4 apply to transfers of property to foreign trusts and foreign estates after August 7, 2000.

Robert E. Wenzel,

Deputy Commissioner of Internal Revenue.

Approved: July 9, 2001.

Mark Weinberger,

Assistant Secretary of the Treasury (Tax Policy).

[FR Doc. 01–17972 Filed 7–19–01; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF JUSTICE

Office of the Attorney General

28 CFR Parts 0 and 27

[A.G. Order No. 2492–2001]

Office of the Inspector General

AGENCY: Department of Justice.

ACTION: Final rule.

SUMMARY: This rule amends the Department's organizational regulations to revise the description of the functions and responsibilities of the Office of the Inspector General. The amendments concern the jurisdiction of the Office of the Inspector General to investigate allegations of misconduct by employees of the Federal bureau of Investigation and Drug Enforcement Administration. This rule also makes conforming changes to the Department's existing regulations concerning the investigation of whistleblower disclosures made by employees of the FBI.

EFFECTIVE DATE: July 11, 2001.

FOR FURTHER INFORMATION CONTACT: Kevin R. Jones, Deputy Assistant Attorney General, Office of Legal Policy, U.S. Department of Justice, Washington, DC 20530, (202) 514–4604.

SUPPLEMENTARY INFORMATION: The Attorney General is amending current Department of Justice regulations, in Part 0, Subpart E–4 of title 28, Code of Federal Regulations, describing the jurisdiction and functions of the Office of the Inspector General (OIG). Currently, evidence and non-frivolous allegations of serious misconduct by employees of the Federal Bureau of Investigation (FBI) and Drug Enforcement Administration (DEA) must be reported to the FBI Office of Professional Responsibility (FBI–OPR) and the DEA Office of Professional Responsibility (DEA–OPR), respectively. The OIG refers to FBI–OPR and DEA–OPR allegations of misconduct within their respective jurisdictions for appropriate action. The OIG refers to the Department's Office of Professional Responsibility (OPR) allegations of serious misconduct (1) by Department attorneys relating to the exercise of their authority to investigate, litigate, or provide legal advice; and (2) by Department law enforcement personnel relating to (or in connection with) allegations of misconduct by a Department attorney that relate to the exercise of the attorney's authority to investigate, litigate, or provide legal advice. At the request of the Inspector General, the Deputy Attorney General may assign to the OIG a matter within the jurisdiction of FBI–OPR, DEA–OPR, or DOJ–OPR.

Pursuant to these amendments, all evidence and non-frivolous allegations of criminal wrongdoing and serious administrative misconduct by Department of Justice employees shall be reported to the OIG except for those allegations concerning serious misconduct by Department attorneys or investigators that are within the jurisdiction of OPR. With respect to evidence and non-frivolous allegations of criminal wrongdoing and serious administrative misconduct by employees of the FBI and DEA, the OIG will determine whether it will investigate such allegations or whether they will be investigated by FBI–OPR or DEA–OPR.

This rule also makes changes to the Department's existing regulations in 28 CFR 27.1(b) with respect to the investigations of whistleblower disclosures made by employees of the FBI, in order to conform with the provisions of Part 0, Subpart E–4, as amended, regarding the authority of the OIG. In addition, this rule makes a technical change to § 27.4 to reflect recent change in name of the Office of Attorney Personnel Management to the Office of Attorney Recruitment and Management.

Certifications and Determinations

Administrative Procedure Act

This rule relates to matters of agency management or personnel, and is therefore exempt from the usual requirements of prior notice and comment and a 30-day delay in the effective date. *See* 5 U.S.C. 553(a)(2). Moreover, to the extent that rulemaking procedures are otherwise applicable, the Department finds that this is exempt from the requirements of prior notice and comment as a rule of agency organization, procedure, or practice. *See* 5 U.S.C. 553(b)(A). Similarly, the effective date of the rule need not be delayed for 30 days after publication because the rule is not a ''substantive rule.'' *See* 5 U.S.C. 553(d); 5 U.S.C. 552(a)(1)(D).

Small Business Regulatory Enforcement Fairness Act of 1996

This rule is not a major rule as defined by section 251 of the Small Business Regulatory Enforcement Fairness Act of 1996, 5 U.S.C. 804. It is a rule relating to agency management or personnel and is therefore excluded from the scope of a covered ''rule'' for purposes of Chapter 8 of Title 5, U.S.C. *See* 5 U.S.C. 804(3)(B). Moreover, to the extent that this rule would be

considered to be a rule of agency organization, procedure, or practice, it is excluded from the scope of a covered ''rule'' pursuant to 5 U.S.C. 804(3)(C). The amendments relate to the Attorney General's determination with respect to how Department of Justice components shall handle certain matters within the authority of the Attorney General as head of the Department of Justice, and the Department has determined that this rule does not substantially affect the rights or obligations of non-agency parties.

Accordingly, because this action is not a covered ''rule,'' it is exempt from the requirement for the Department to submit a report to each House of Congress and to the Comptroller General before this rule can take effect, as provided in 5 U.S.C. 801(a)(1).

Regulatory Flexibility Act

The Attorney General, in accordance with the Regulatory Flexibility Act, 5 U.S.C. 605(b), has reviewed this rule and, by approving it, certifies that this regulation will not have a significant economic impact on a substantial number of small entities.

Executive Order 12866

This rule has been drafted and reviewed in accordance with Executive Order 12866, Regulatory Planning and Review. The Department of Justice has determined that this is not a ''significant regulatory action'' under section 3(f) of Executive Order 12866, and that it relates to a matter of agency organization, management, or personnel. See Executive Order 12866, section 3(d)(3). Accordingly, this rule has not been reviewed by the Office of Management and Budget.

Executive Order 12612

This rule will not have substantial direct effects on the States, on the relationship between the national government and the States, or on distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

Executive Order 12988—Civil Justice Reform

This rule meets the applicable standards set forth in sections 3(a) and 3(b)(2) of Executive Order 12988.

Unfunded Mandates Reform Act of 1995

This rule will not result in the expenditure by State, local, and tribal government, in the aggregate, or by the private sector, of $100,000,000 or more in any one year, and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

List of Subjects

28 CFR Part 0

Authority delegations (Government agencies), Government employees, Organization and functions (Government agencies), Whistleblowing.

28 CFR Part 27

Government Employees, Justice Department, Organization and functions (Government agencies), Whistleblowing.

Accordingly, by virtue of the authority vested in me as Attorney General, including 5 U.S.C. 301 and 28 U.S.C. 509 and 510, Part 0, Subpart E–4, and Part 27 of title 28 of the Code of Federal Regulations, are amended as follows:

PART 0—ORGANIZATION OF THE DEPARTMENT OF JUSTICE

1. The authority citation of part 0 continues to read as follows:

Authority: 5 U.S.C. 301; 28 U.S.C. 509, 510, 515–519.

2. Paragraph (a) of section 0.29c is revised to read as follows:

§ 0.29c Reporting allegations of employee misconduct.

(a) *Reporting to the OIG.* Evidence and non-frivolous allegations of criminal wrongdoing or serious administrative misconduct by Department employees shall be reported to the OIG, or to a supervisor or a Department component's internal affairs office for referral to the OIG, except as provided in paragraph (b) of this section.

* * * * *

3. Paragraph (c) of § 0.29c is amended by adding the words ''by the OIG'' between the words ''reported'' and ''to''.

4. Paragraph (d) of § 0.29c is amended by adding the words ''by the OIG'' between the words ''reported'' and ''to''.

5. In § 0.29d, paragraph (a) is revised to read as follows:

§ 0.29d Whistleblower protection for FBI employees.

(a) *Protected disclosures by FBI employees.* Disclosures of information by an FBI employee that the employee reasonably believes evidences a violation of any law, rule, or regulation, or mismanagement, gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety are protected disclosures when they are reported as provided in § 27.1 of this chapter. Any office or official (other than the OIG or DOJ–OPR) receiving a protected disclosure shall promptly report such disclosure to the OIG or DOJ–OPR. The OIG or DOJ–OPR may refer such allegations to FBI–OPR for investigation unless the Deputy Attorney General determines that such referral shall not be made.

* * * * *

6. Section 0.29e is amended by:

a. Revising paragraphs (a)(1), (a)(2), (a)(3), and (a)(5);

b. Amending the introductory text in paragraph (a)(6) by removing ''another internal investigative component'' and by adding in its place ''DOJ–OPR'';

c. Amending paragraph (a)(6)(i) by removing ''the component'' and by adding in its place ''DOJ–OPR'';

d. Amending paragraph (a)(7) by removing ''the other investigative component'' and by adding in its place ''DOJ–OPR''; to read as follows:

§ 29e Relationship to other departmental units.

(a) * * *

(1) The OIG refers to DOJ–OPR allegations of misconduct within DOJ–OPR's jurisdiction and may refer to another component the investigation of an allegation of misconduct on the part of an employee of that component;

(2) The OIG may refer to a Department component's internal affairs office allegations of misconduct within that office's jurisdiction or may investigate such allegations on its own;

(3) DOJ–OPR refers to the OIG allegations involving misconduct by Department attorneys or investigators that do not relate to the exercise of an attorney's authority to investigate, litigate, or provide legal advice.

(4) * * *

(5) All Department components report to the OIG all non-frivolous allegations of criminal wrongdoing and serious administrative misconduct involving any of their employees except allegations involving Department attorneys and investigators that relate to an attorney's authority to litigate, investigate, or provide legal advice.

* * * * *

§ 0.29h Specific authorities of the Inspector General.

7. Paragraph (a) of section 0.29h is amended by removing ''the'' between ''to'' and ''administration'' and by adding in its place ''criminal wrongdoing and administrative

misconduct of Department employees and''.

PART 27—WHISTLEBLOWER PROTECTION FOR FEDERAL BUREAU OF INVESTIGATION EMPOYEES

8. The authority citation for part 27 continues to read as follows:

Authority: 5 U.S.C. 301, 3151; 28 U.S.C. 509, 510, 515–519; President's Memorandum to the Attorney General, Delegation of Responsibilities Concerning FBI Employees Under the Civil Service Reform Act of 1978, 3 CFR p. 284 (1997).

9. In § 27.1, paragraph (b) is revised to read as follows:

§ 27.1 Making a protected disclosure.

* * * * *

(b) Any office or official (other than the OIG or OPR) receiving a protected disclosure shall promptly report such disclosure to the OIG or OPR for investigation. The OIG and OPR shall proceed in accordance with procedures establishing their respective jurisdiction. The OIG or OPR may refer such allegations to FBI–OPR for investigation unless the Deputy Attorney General determines that such referral shall not be made.

§ 27.4 Corrective action and other relief; Director, Office of Attorney Recruitment and Management.

10. In § 27.4, the heading is revised to read as shown above.

11. In § 27.4, paragraph (a) is amended by removing ''Attorney Personnel Management'' and by adding in its place ''Attorney Recruitment and Management''.

Dated: July 11, 2001.

John Ashcroft,

Attorney General.

[FR Doc. 01–18087 Filed 7–19–01; 8:45 am]

BILLING CODE 4410–AR–M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[MO 123–1123a; FRL–7015–9]

Approval and Promulgation of Implementation Plans; State of Missouri

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: EPA is announcing it is approving a revision to the Missouri State Implementation Plan (SIP). EPA is approving a revision to Missouri rule ''Control of Emissions From Industrial Surface Coating Operations.'' This revision will ensure consistency between the state and Federally approved rules, and ensure Federal enforceability of the state's air program rule revision pursuant to section 110 of the Clean Air Act.

EFFECTIVE DATE: This direct final rule will be effective September 18, 2001 unless EPA receives adverse comments by August 20, 2001. If adverse comments are received, EPA will publish a timely withdrawal of the direct final rule in the **Federal Register** informing the public that the rule will not take effect.

ADDRESSES: Comments may be mailed to Wayne Kaiser, Environmental Protection Agency, Air Planning and Development Branch, 901 North 5th Street, Kansas City, Kansas 66101.

Copies of the state submittal(s) are available at the following addresses for inspection during normal business hours: Environmental Protection Agency, Air Planning and Development Branch, 901 North 5th Street, Kansas City, Kansas 66101; and the Environmental Protection Agency, Air and Radiation Docket and Information Center, Air Docket (6102), 401 M Street, SW., Washington, DC 20460.

FOR FURTHER INFORMATION CONTACT: Wayne Kaiser at (913) 551–7603.

SUPPLEMENTARY INFORMATION: Throughout this document whenever ''we, us, or our'' is used, we mean EPA.

This section provides additional information by addressing the following questions:

What Is a SIP?

Section 110 of the Clean Air Act (CAA) requires states to develop air pollution regulations and control strategies to ensure that state air quality meets the national ambient air quality standards established by us. These ambient standards are established under section 109 of the CAA, and they currently address six criteria pollutants. These pollutants are: Carbon monoxide, nitrogen dioxide, ozone, lead, particulate matter, and sulfur dioxide.

Each state must submit these regulations and control strategies to us for approval and incorporation into the Federally enforceable SIP.

Each Federally approved SIP protects air quality primarily by addressing air pollution at its point of origin. These SIPs can be extensive, containing state regulations or other enforceable documents and supporting information such as emission inventories, monitoring networks, and modeling demonstrations.

What Is the Federal Approval Process for a SIP?

In order for state regulations to be incorporated into the Federally enforceable SIP, states must formally adopt the regulations and control strategies consistent with state and Federal requirements. This process generally includes a public notice, public hearing, public comment period, and a formal adoption by a state-authorized rulemaking body.

Once a state rule, regulation, or control strategy is adopted, the state submits it to us for inclusion into the SIP. We must provide public notice and seek additional public comment regarding the proposed Federal action on the state submission. If adverse comments are received, they must be addressed prior to any final Federal action by us.

All state regulations and supporting information approved by us under section 110 of the CAA are incorporated into the Federally approved SIP. Records of such SIP actions are maintained in the Code of Federal Regulations (CFR) at Title 40, Part 52, entitled ''Approval and Promulgations of Implementation Plans.'' The actual state regulations which are approved are not reproduced in their entirety in the CFR outright but are ''incorporated by reference,'' which means that we have approved a given state regulation with a specific effective date.

What Does Federal Approval of a State Regulation Mean to Me?

Enforcement of the state regulation before and after it is incorporated into the Federally approved SIP is primarily a state responsibility. However, after the regulation is Federally approved, we are authorized to take enforcement action against violators. Citizens are also offered legal recourse to address violations as described in the CAA.

What Is Being Addressed in This Notice?

The state of Missouri has requested that EPA approve as a revision to the Missouri SIP recently adopted revisions to rule 10 CSR 10–5.330, ''Control of Emissions From Industrial Surface Coating Operations.'' This rule is