the fact that section 8701.102 does not itself provide a basis to deny any OMB employee's request for approval. The basis for disapproval, if any, must be found in applicable statutes or the executive branch-wide Standards.

# III. Repeal of the Old OMB Standards of Conduct Regulations

Because the OMB's Standards of Conduct have been largely superseded by the new executive branch financial disclosure regulations at 5 CFR parts 2634 and by the new executive branchwide Standards at 5 CFR part 2635 as supplemented by the regulations contained in new 5 CFR part 8701, OMB is repealing all of existing 5 CFR part 1300. To ensure that employees are on notice of the ethical standards to which they are subject, the OMB is replacing its old standards at 5 CFR part 1300 with a residual provision that cross-references 5 CFR parts 2634, 2635 and 8701.

## IV. Matters of Regulatory Procedure

#### Administrative Procedure Act

The Office of Management and Budget has found that good cause exists under 5 U.S.C. 553(b) and (d)(3) for waiving, as unnecessary and contrary to the public interest, the general notice of proposed rulemaking and the 30 day delay in effectiveness as to this final rule and repeal. This supplemental regulation is essentially a restatement of a rule previously contained in the OMB Standards of Conduct. Furthermore, this rulemaking is related to the OMB organization, procedure and practice.

## Executive Order 12866

In promulgating this final rule, OMB has adhered to the regulatory philosophy and the applicable principles of regulations set forth in section 1 of Executive Order 12866, Regulatory Planning and Review. This regulation is not deemed "significant" under that Executive order.

## Regulatory Flexibility Act

The Office of Management and Budget has determined under the Regulatory Flexibility Act (5 U.S.C. chapter 6) that this regulation will not have a significant impact on small business entities because it affects only OMB employees.

## Paperwork Reduction Act

The Office of Management and Budget has determined that the Paperwork Reduction Act (44 U.S.C. chapter 35) does not apply because this regulation does not contain any information collection requirements.

## Environmental Impact

This decision will not have a significant impact upon the quality of the human environment or the conservation of energy resources.

#### List of Subjects

#### 5 CFR Part 1300

Conflict of interest, Government employees.

## 5 CFR Part 8701

Conflict of interests, Executive branch standards of conduct, Government employees.

Dated: February 7, 1995.

Robert G. Damus,

General Counsel, Office of Management and Budget.

Approved: February 13, 1995. Stephen D. Potts,

Director, Office of Government Ethics.

For the reasons set forth in the preamble, the Office of Management and Budget, with the concurrence of the Office of Government Ethics, is amending title 5 of the Code of Federal Regulations as follows:

#### TITLE 5—[AMENDED]

# 5 CFR CHAPTER III—OFFICE OF MANAGEMENT AND BUDGET

1. Part 1300 of 5 CFR chapter III is revised to read as follows:

# PART 1300—STANDARDS OF CONDUCT

# § 1300.1 Cross-reference to employees ethical conduct standards and financial disclosure regulations.

Employees of the Office of Management and Budget are subject to the executive branch-wide standards of ethical conduct at 5 CFR part 2635, OMB's regulations at 5 CFR part 8701 which supplement the executive branch-wide standards, and the executive branch-wide financial disclosure regulations at 5 CFR part 2634.

Authority: 5 U.S.C. 7301.

2. A new chapter LXXVII, consisting of part 8701, is added to title 5 of the Code of Federal Regulations to read as follows:

# 5 CFR CHAPTER LXXVII—OFFICE OF MANAGEMENT AND BUDGET

# PART 8701—SUPPLEMENTAL STANDARDS OF ETHICAL CONDUCT FOR EMPLOYEES OF THE OFFICE OF MANAGEMENT AND BUDGET

Section 8701.101 General.
Section 8701.102 Prior approval for outside employment.

Authority: 5 U.S.C. 7301; 5 U.S.C. App. (Ethics in Government Act of 1978); E.O. 12674, 54 FR 15159, 3 CFR, 1989 Comp. p. 215, as modified by E.O. 12731, 55 FR 42547, 3 CFR, 1990 Comp., p. 306; 5 CFR 2635.105, 2635.803.

### § 8701.101 General.

In accordance with 5 CFR 2635.105, the regulations in this part apply to the employees of the Office of Management and Budget and supplement the Standards of Ethical Conduct for Employees of the Executive Branch contained in 5 CFR part 2635. In addition to the standards in 5 CFR part 2635 and this part, OMB employees are subject to the executive branch financial disclosure regulations contained in 5 CFR part 2634.

# § 8701.102 Prior approval for outside employment.

(a) Before engaging in outside employment with or without compensation, an employee of the Office of Management and Budget, other than a special Government employee, must obtain the written approval of his or her division or office head, the General Counsel, and the Designated Agency Ethics Official (DAEO). Requests for approval shall be forwarded through normal supervisory channels to the division or office head, who shall forward the request to the General Counsel, to be forwarded with their successive approvals to the DAEO. The request for approval shall include, at a minimum, the following:

(1) A statement of the name of the person, group, or other organization for whom the work is to be performed; the type of work to be performed; and the proposed hours of work and approximate dates of employment; and

(2) A statement that the outside employment will not depend on information obtained as a result of the employee's official Government position and that no official duty time or Government property, resources, or facilities not available to the general public will be used in connection with the outside employment.

(b) Approval shall be granted only upon a determination that the outside employment is not expected to involve conduct prohibited by statute or Federal regulation, including 5 CFR part 2635.

(c) For purposes of this section, "employment" means any form of non-Federal employment or business relationship involving the provision of personal services by the employee. It includes, but is not limited to, personal services as an officer, director, employee, agent, attorney, consultant, contractor, general partner, trustee, teacher or speaker. It includes writing