or other comments that may be pertinent to this issue.

Executive Order 12866

For purposes of Executive Order 12866, this advance notice of proposed rulemaking is determined to be not significant.

List of Subjects in 15 CFR Part 944

Administrative practice and procedure, Coastal zone, Education, Environmental protection, Marine resources, Natural resources, Penalties, Recreation and recreation areas, Reporting and recordkeeping requirements, Research.

Federal Domestic Assistance Catalog Number 11.429, Marine Sanctuary Program Dated: June 9, 1995.

David Evans,

Acting Deputy Assistant Administrator for Ocean Services and Coastal Zone Management.

[FR Doc. 95–19633 Filed 8–8–95; 8:45 am] BILLING CODE 3510–08–M

SOCIAL SECURITY ADMINISTRATION

20 CFR Part 416

RIN 0960-AD82

Supplemental Security Income for the Aged, Blind, and Disabled; Valuation of In-Kind Support and Maintenance With Cost-of-Living Adjustment

AGENCY: Social Security Administration. **ACTION:** Notice of proposed rulemaking.

SUMMARY: These proposed regulations would implement section 13735 of the **Omnibus Reconciliation Act of 1993** (OBRA 1993). This statutory provision amends the Social Security Act (the Act) and requires that the new benefit rate, as increased by a cost-of-living adjustment (COLA), be used in determining the value of the statutory one-third reduction and the regulatory presumed maximum value for the computation of Federal supplemental security income (SSI) benefit payments for the first 2 months for which the COLA is in effect. These rules will provide that we will value the statutory one-third reduction and the regulatory presumed maximum value using the benefit rate as increased by a COLA to determine the amount of in-kind support and maintenance received by an individual which is to be counted for those months. This will preclude a decrease in the benefit amount the third month after a COLA, a situation which occurred under the present regulations. The legislation is effective for benefits

paid for months after calendar year 1994.

DATES: To be sure that your comments are considered, we must receive them no later than October 10, 1995. ADDRESSES: Comments should be submitted in writing to the Commissioner of Social Security, P.O. Box 1585, Baltimore, MD 21235, sent by telefax to (410) 966-2830, sent by e-mail to regulations@ssa.gov., or delivered to the Division of Regulations and Rulings, Social Security Administration, 3–B–1 **Operations Building**, 6401 Security Boulevard, Baltimore, MD 21235, between 8:00 a.m. and 4:30 p.m. on regular business days. Comments received may be inspected during these same hours by making arrangements with the contact person shown below.

The electronic file of this document is available on the Federal Bulletin Board (FBB) at 9:00 a.m. on the date of publication in the **Federal Register**. To download the file, modem dial (202) 512–1387. The FBB instructions will explain how to download the file and the fee. This file is in Wordperfect and will remain on the FBB during the comment period.

FOR FURTHER INFORMATION CONTACT: Lawrence V. Dudar, Legal Assistant,

Division of Regulations and Rulings, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235, (410) 965–1759.

SUPPLEMENTARY INFORMATION: Under retrospective monthly accounting (RMA), an individual's current SSI benefit amount is usually determined based upon the individual's income in the second preceding month ("budget month'') before the current month. For example, January's SSI benefit amount is based on the individual's November income. In some instances, an individual receives income in the form of in-kind support and maintenance and it is counted using the value of the onethird reduction (VTR) or the presumed maximum value (PMV) rule. Under the law prior to the effective date of section 13735 of Public Law 103-66, the VTR and the PMV were based on the applicable benefit rates in effect in the "budget month." Because of RMA principles, when an annual COLA to the SSI benefit rate became effective in January, we used the VTR/PMV amount from November of the previous year to determine the individual's benefit for January if an individual had in-kind support and maintenance in the "budget month." For example, in figuring an individual's January 1994 benefit, we used November 1993 as the "budget month." Thus, in a computation using the VTR, we would subtract the 1993

VTR amount of \$144.66 from the 1994 benefit rate of \$446.00, giving the individual an SSI benefit of \$301.34. February's benefit amount would also be computed using the new benefit rate and the 1993 VTR amount. However, in computing March's benefit amount, we used the benefit rate of \$446.00 less the January 1994 VTR amount of \$148.66, resulting in an SSI benefit amount of \$297.34. Thus, the individual's January and February payments exceeded the March payment because of the increased amount of the new VTR used when January was the "budget month." Notices were then released to these individuals notifying them of the decrease in their March payment. This was confusing to SSI recipients because their payment amounts increased and then decreased even if there is no change in their living arrangements.

We propose to change the method of valuation of the VTR/PMV to reflect section 13735 of Public Law 103-66 for benefits paid after calendar year 1994, by using the new benefit rate as increased by a COLA in determining the VTR or PMV for the computation of SSI benefits for the first 2 months for which the COLA is in effect. Thus, with a COLA effective January 1, 1995, both the new increased 1995 benefit rate and new increased VTR or PMV amounts are being used in computing a January and February 1995 benefit amount. Unlike the example used previously, the individual's January, February, and March payments calculated by using the VTR amount will be the same assuming all other income remains constant-i.e., there will be no decrease in the SSI benefit amount the third month after a COLA. This will eliminate confusion for recipients and also eliminate the need for issuance of notices informing affected recipients of the decrease in their March payment.

We state in the proposed regulations at § 416.420(a) that we will use the benefit rate, as increased by a COLA, in determining the value of certain in-kind support and maintenance used to compute an individual's SSI benefit amount for the first 2 months in which the COLA is in effect. We also propose to add a third example to § 416.420(a) to further clarify the regulatory intent.

We state in the proposed regulations at § 416.1130 how we value in-kind support and maintenance when a COLA applies and have altered the example to reflect the situation when a COLA becomes effective.