

balance of the 10,000 shares. The total measured and assigned deferred compensation cost for FY 2004 is \$840,000—the contractor's total contribution to satisfy the deferred compensation obligation totaling 10,000 shares.

(h)(1) Contractor H has a leveraged ESOP. Under the contractor's plan, employees were awarded 8,000 shares of stock for the year ended December 31, 2004. The contractor contributes \$500,000 in cash to the ESOT to satisfy the principal and interest payment on the ESOT loan for 2004, resulting in the bank releasing 10,000 shares of stock. The total measured deferred compensation cost for 2004 is \$500,000—the contractor's contribution for the cost accounting period. The total assignable deferred compensation cost for 2004 is \$400,000—the portion of the contribution that satisfies the 8,000 shares of deferred compensation awarded to the employees in the year  $[(8,000 \text{ shares} \div 10,000 \text{ shares}) \times \$500,000 = \$400,000]$ . The remaining \$100,000 of the contribution made in 2004 is assignable to future periods in which the remaining 2,000 shares of stock are awarded to the employees.

(2) At December 31, 2005, the employees were awarded 12,000 shares of stock. The contractor again contributed \$500,000 in cash to the ESOT to satisfy the principal and interest payment on the ESOT loan for 2005, resulting in the bank releasing 10,000 shares of stock. However, the total deferred compensation assignable to 2005 is \$600,000, the cost of the 12,000 shares awarded to employees. The cost of the award is comprised of the contractor's contribution for the current cost accounting period (10,000 shares at \$500,000) and the 2004 contribution carryover (2,000 shares at \$100,000).

8. Section 9904.415–63 is revised to read as follows:

**9904.415–63 Effective date.**

(a) This Standard 9904.415 is effective as of [effective date of final rule].

(b) This Standard shall be followed by each contractor on or after the start of its next cost accounting period beginning after the receipt of a contract or subcontract to which this Standard is applicable.

(c) Contractors with prior CAS-covered contracts with full coverage shall continue to follow Standard 9904.415 in effect prior to [effective date] until this Standard, effective [effective date], becomes applicable following receipt of a contract or subcontract to which this revised Standard applies.

9. Section 9904.415–64 is added to read as follows:

**9904.415–64 Transition method.**

(a) For contractors and subcontractors that were subject to Standard 9904.415 in effect prior to [effective date of final rule], the requirements of this Standard, as amended, shall apply to the cost of new ESOPs that are established after this Standard, as amended, becomes applicable to the contractor or subcontractor. Any ESOP in existence prior to the applicability date of this amended Standard, shall remain subject to the Cost Accounting Standard(s) that were applicable to such plans prior to the applicability date of this amended Standard.

(b) For contractors and subcontractors that have established advance agreements regarding the recognition of the costs of ESOPs that were established prior to the applicability date of this amended Standard, the awarding agency and contractor shall comply with the provisions of such advance agreement(s) for existing ESOPs. All ESOPs established on or after [effective date] shall be subject to the requirements of this Standard.

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## DEPARTMENT OF COMMERCE

### National Oceanic and Atmospheric Administration

#### 50 CFR Part 679

[I.D. 080703B]

#### Groundfish Fisheries of the Bering Sea and Aleutian Islands Area and the Gulf of Alaska, King and Tanner Crab Fisheries in the Bering Sea/Aleutian Islands, Scallop and Salmon Fisheries Off the Coast of AK

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration, Commerce.

**ACTION:** Notification regarding the evaluation of potential habitat areas of particular concern (HAPCs) within essential fish habitat (EFH).

**SUMMARY:** NMFS intends to evaluate alternative approaches for HAPC designation in the EFH Environmental Impact Statement (EIS) NMFS is preparing in conjunction with the North Pacific Fishery Management Council. Although NMFS' notice of intent to prepare the North Pacific EFH EIS implied that specific new HAPCs would

be evaluated in the EIS, NMFS' current plan is to consider specific HAPC designations in separate National Environmental Policy Act analyses.

**FOR FURTHER INFORMATION CONTACT:** Cindy Hartmann, (907) 586–7585.

**SUPPLEMENTARY INFORMATION:** The Magnuson-Stevens Fishery Conservation and Management Act requires NMFS and the Council to identify EFH in fishery management plans. The EFH regulations at 50 CFR 600.815(a)(8) encourage Councils to identify HAPCs within EFH based on the ecological importance of the habitat, sensitivity to human-induced environmental degradation, stress to the habitat from development activities, and/or rarity of the habitat.

On June 6, 2001, NMFS published a notice of intent to prepare an EIS for the EFH components of the following five management plans: the Fishery Management Plan (FMP) for the Groundfish Fishery of the Bering Sea/Aleutian Islands (BSAI) Area, the FMP for groundfish of the Gulf of Alaska, the FMP for BSAI Commercial King and Tanner Crabs, the FMP for the Scallop Fishery off Alaska, and the FMP for the Salmon Fishery in the EEZ off the Coast of Alaska (66 FR 30396). NMFS requested written comments and gave notice of six scoping meetings. NMFS noted that three types of actions will be analyzed in the EIS: (1) describe and identify EFH for the fisheries; (2) identify HAPCs within EFH; and (3) minimize to the extent practicable the adverse effects of fishing on EFH.

On January 10, 2002, NMFS published a notification of preliminary alternative approaches for EFH and HAPC and requested written comments (67 FR 1325). Subsequently, based on public comment at the April, 2003, Council meeting, NMFS and the Council determined that it would be most effective to identify an approach to HAPC designation first, and then to consider specific candidate HAPCs through a separate process. For this first iteration of the HAPC process, any resulting HAPC designations and associated fishery management measures would be promulgated on the same time line as any measures resulting from the EFH EIS. The Council may also consider additional HAPCs in the future.

The EFH EIS will evaluate five alternative approaches for identifying HAPCs. Under Alternative 1, the FMPs would be amended to remove the present identification of HAPCs. Under Alternative 2, HAPCs would remain as they are currently identified in the Council's FMPs: living substrates in