1022-32-84 **Anne-Katrin Herbig*** (`herbig@umich.edu`), Dept. of Math., University of Michigan, 2074 East Hall, 530 Church Street, Ann Arbor, MI 48109, and **John Erik Fornaess** (`fornaess@umich.edu`), Dept. of Math., University of Michigan, 2074 East Hall, 530 Church Street, Ann Arbor, MI 48109. *Plurisubharmonic defining functions in $\mathbb{C}^2$.*

Let $\Omega \subset\subset \mathbb{C}^2$ be a smoothly bounded domain. Suppose that Ω admits a smooth defining function which is plurisubharmonic on the boundary of Ω. We show that this condition implies that the Diederich-Fornæss exponent can be chosen arbitrarily close to 1 and that the closure of Ω admits a Stein neighborhood basis. (Received September 09, 2006)