

**SUMMARY:** This final rule completes the rulemaking necessary to issue revisions to the Transportation Acquisition Regulation (TAR) which were published in the November 3, 1995 Federal Register (60 FR 55801) as an interim final rule with a request for comments.

**EFFECTIVE DATE:** January 1, 1996.

**FOR FURTHER INFORMATION CONTACT:** Elaine Wheeler, Office of Acquisition and Grant Management, M-61, 400 Seventh Street, SW., Washington, DC 20590; (202) 366-4272.

**SUPPLEMENTARY INFORMATION:**

**A. Background**

On November 3, 1995, revisions to the TAR were published in the Federal Register (60 FR 55801) as an interim final rule. Comments were solicited from interested parties, including the public and other Federal agencies and none were received. The interim final rule established a public comment period which closed on December 4, 1995. This notice finalizes that rulemaking.

**B. Regulatory Analyses and Notices**

The Department has determined that this action will not have a significant economic impact on a substantial number of small entities because the basic policies remain unchanged and only editorial corrections or administrative changes are being made.

**C. Paperwork Reduction Act**

The Paperwork Reduction Act does not apply because the changes to the TAR do not impose additional record keeping information collection requirements, or additional collections of information from offerors, contractors, or members of the public which require the approval of the Office of Management and Budget under 44 U.S.C. 3501 *et seq.*

List of Subjects in 48 CFR Parts 1215, 1252, and 1253

Government procurement.

The interim final rule amending 12 CFR parts 1215, 1252, and 1253 which was published at 60 FR 55801 on November 3, 1995, is adopted as a final rule without change.

This final rule is issued under delegated authority under 49 CFR part 1.59(q). This authority has been redelegated to the Senior Procurement Executive.

Issued this 22nd day of December 1995, at Washington, DC.

David J. Litman,

*Senior Procurement Executive.*

[FR Doc. 96-105 Filed 1-3-96; 8:45 am]

**BILLING CODE 4910-62-P**

**National Highway Traffic Safety Administration**

**49 CFR Parts 573, 576, and 577**

[Docket No. 93-68; Notice 8]

**RIN 2127-AG15**

**Defect and Noncompliance Reports; Record Retention; and Defect and Noncompliance Notification**

**AGENCY:** National Highway Traffic Safety Administration, DOT.

**ACTION:** Grant in part and denial in part of petitions for reconsideration.

**SUMMARY:** In this document, the National Highway Traffic Safety Administration (NHTSA) is granting in part petitions for reconsideration of an April 5, 1995 final rule that, among other things, amended 49 CFR Parts 573, 576, and 577 (60 FR 17254). On reconsideration, the agency is amending provisions of that final rule concerning submission by manufacturers of schedules for recall campaigns, recordkeeping regarding recalls of leased vehicles, record retention period, and notification to lessees of recall campaigns. NHTSA has concluded that these changes will reduce manufacturer burdens without adversely affecting the agency's recall program.

**DATES:** Effective date: The amendments made by this final rule are effective on January 4, 1996.

Any petitions for reconsideration must be received by NHTSA no later than February 5, 1996.

**ADDRESSES:** Any petitions for reconsideration should refer to the docket and notice number of this notice and be submitted to: Docket Section, Room 5109, National Highway Traffic Safety Administration, 400 Seventh Street SW., Washington, DC 20590. (Docket Room hours are 9:30 a.m. to 4 p.m., Monday through Friday.)

**FOR FURTHER INFORMATION CONTACT:** Jonathan D. White, Office of Defects Investigation, National Highway Traffic Safety Administration, 400 Seventh Street SW., Room 5319, Washington, DC 20590; (202) 366-5227.

**SUPPLEMENTARY INFORMATION:**

**Background**

This final rule amends several sections of 49 CFR Parts 573, 576, and 577, as those parts were recently amended on April 5, 1995. These changes are being adopted by NHTSA in response to four petitions for reconsideration of the April 5 final rule that were submitted by the Association of International Automobile

Manufacturers (AIAM), Chrysler Corporation (Chrysler), Ford Motor Company (Ford), and General Motors Corporation (GM).

In addition to seeking substantive changes, the petitions asked for an extension of the original May 5, 1995 effective date of the April 5 amendments on the ground that it would be difficult to achieve compliance by that date. On May 16, 1995, the agency published a notice in the Federal Register setting a new effective date of July 7, 1995 for the April 5 amendments. 60 FR 26002. Subsequently, on July 7, 1995, NHTSA suspended until further notice the effective date of four of the provisions for which the petitioners had sought reconsideration. 60 FR 35458. That notice also confirmed that all other provisions of the April 5 final rule would go into effect on July 7, 1995.

In September 1995, the Office of the Federal Register informed NHTSA that it could not leave the effective date of a regulation indefinite, as it had done in the July 7 Federal Register notice. Accordingly, NHTSA published another notice setting January 2, 1996, as the effective date of those four provisions, pending the decision on reconsideration. 60 FR 50476 (Sept. 29, 1995).

Based on its review of the petitions for reconsideration, NHTSA also decided that it would be advisable to obtain further information from the public on four of the issues raised in the petitions. Accordingly, the agency announced that it would hold a public meeting in Detroit, Michigan to receive oral presentations on those issues and to ask questions of those present, and that it would also receive written comments on those issues. 60 FR 35459 (July 7, 1995).

The following five entities made presentations at the Detroit meeting, which took place on July 24, 1995: AIAM, Chrysler, Ford, GM, and the R. L. Polk Company (Polk). The following ten entities submitted written comments to the public docket: Advocates for Highway and Auto Safety (Advocates), American Automotive Leasing Association (AALA), American Honda Motor Company, Inc. (Honda), Association of Consumer Vehicle Lessors (ACVL), Ford, GM, Institute of International Container Lessors (IICL), National Automobile Dealers Association (NADA), National Vehicle Leasing Association (NVLA), and Truck Renting and Leasing Association (TRALA). In addition, NHTSA placed a written transcript of the Detroit meeting in the public docket for this rulemaking.

The notice published today grants the petitions for reconsideration with respect to the four provisions specified above and denies the petitions insofar as they sought amendments to other provisions of the April 5 final rule. The four provisions pertain to the enforcement of the provisions of Chapter 301 of Title 49 of the United States Code (49 U.S.C. §§30101–30169) that set forth the obligations of manufacturers of motor vehicles and motor vehicle equipment to provide notification that motor vehicles or items of motor vehicle equipment contain a safety-related defect or do not comply with a Federal motor vehicle safety standard and to remedy the defect or noncompliance without charge. 49 U.S.C. 30116–30121. The provisions of the final rule regarding notification of defects and noncompliances in leased vehicles implement a provision of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) that requires vehicle lessors to send their lessees a copy of notifications received from manufacturers regarding a safety-related defect or noncompliance in the lessees' vehicles. 49 U.S.C. 30119(f).

#### Amendments to Part 573—Defect and Noncompliance Reports

NHTSA is amending two sections of 49 CFR Part 573, one that sets forth requirements regarding the submittal by manufacturers of schedules for owner notification and remedy campaigns (recalls) under certain circumstances (section 573.5(c)(8)), and one that specifies recordkeeping requirements for manufacturers in connection with recalls of leased vehicles (section 573.7(d) and (e)).

#### *Schedule for Recall Campaigns*

In order to address an increase in the number of recalls in which there has been a significant delay between the manufacturer's decision that a defect or noncompliance exists and the commencement and conclusion of the manufacturer's recall campaign, NHTSA included in the April 5 final rule a requirement that manufacturers include in their defect/noncompliance reports submitted to NHTSA pursuant to 49 U.S.C. 30119 and 49 CFR Part 573 (Part 573 Report) a detailed schedule for those notification campaigns that would not begin within thirty days of the Part 573 Report or end within 75 days of that Report. Several petitioners objected to this requirement as unnecessary and unduly burdensome. In oral statements at the public meeting and in their written comments, manufacturers indicated that the time periods specified in the final rule would mean that

detailed schedules would be required in most recalls, because most notification campaigns are either begun more than 30 days after the Part 573 Report or not completed within 75 days of that Report. In addition, they asserted that the need to file detailed scheduling information with NHTSA at the outset of most recalls would have the effect of delaying implementation of recalls, because personnel and resources would have to be taken away from other aspects of recall implementation to ensure compliance with the added reporting requirements.

Pursuant to 49 U.S.C. 30119(c), manufacturers must notify owners, purchasers, and dealers of safety defects and noncompliances "within a reasonable time" after the decision that the defect or noncompliance exists. NHTSA continues to believe strongly that safety recalls should be implemented as soon as reasonably possible. However, it also recognizes that the concerns raised by the manufacturers are serious and need to be considered.

In order to make the rule more responsive both to the manufacturers' concerns and to the public safety interest in prompt notification of safety-related defects and noncompliances, NHTSA has decided to modify the burdensome aspects of the recall schedule provisions of the April 5 final rule. Thus, the agency is deleting the requirement that extensive scheduling information and explanatory material be provided in the manufacturer's Part 573 Report in instances where notification would begin more than 30 days after the Part 573 Report is submitted or end more than 75 days after the Report. Instead, under the rule adopted today, manufacturers will only be required to include in their Part 573 Reports the estimated date when owners will first be notified that a remedy for the defect or noncompliance is available and the estimated date when all owners will have been so notified.

No additional scheduling information will be required under the regulation. In those relatively rare instances where the agency wishes to further examine whether the manufacturer's time frame for the recall is reasonable under the circumstances, it may request more detailed information from the manufacturer on a case-by-case basis.

As NHTSA noted in the preamble to the April 5 final rule, in most cases, manufacturers develop a recall implementation schedule for their own internal use at the time they decide that a defect or noncompliance exists, or promptly thereafter. The final rule adopted today simply requires

manufacturers to provide the agency with the two most basic elements of this scheduling information when they file their Part 573 Reports. Under this revision, manufacturers will have flexibility to tailor the recall notification schedule to the circumstances of the particular recall, with far less of a reporting burden, while NHTSA will retain the ability, on a case-by-case basis, to ensure that the timing of recall notification is reasonable. The agency is retaining its authority, as set forth in new section 577.7(a)(1), to order a manufacturer to notify owners on a specific date when it finds, after consideration of available information and the views of the manufacturer, that such notification is in the public interest.

NHTSA recognizes that in some cases a manufacturer may not have any scheduling information at the time it submits its Part 573 Report (e.g., where the remedy has not been developed or tested, or where the scope of the recall is uncertain). In such instances, the manufacturer should indicate in the Report that the information is not available. Thereafter, in accordance with section 573.5(b), the required information "shall be submitted as it becomes available."

On reconsideration, NHTSA has also decided to rescind new section 573.5(c)(8)(iii), which would have required a manufacturer to describe all factors that it anticipated could interfere with its ability to adhere to the proposed recall schedule and to describe with specificity the likely effect of each of those factors. The agency believes that the burden of requiring advance information about events which might never actually have any effect on the recall significantly outweighs whatever safety benefit might be derived from it. In addition, the agency believes that the purpose of that requirement can as readily be served by the requirement, retained in today's final rule, that a manufacturer must promptly advise NHTSA if circumstances arise that can result in unanticipated delays of two weeks or more in recall campaign implementation. This requirement, formerly included in section 573.5(c)(8)(iv), is now renumbered as § 573.5(c)(8)(ii).

This final rule renumbers sections 573.5(c)(8) (v) and (vi) as sections 573.5(c)(8) (iii) and (iv), respectively, and makes minor changes in those paragraphs to reflect the changes to this section described above, but makes no substantive changes. These provisions are concerned with the effect on the requirement to file a notification

schedule of a manufacturer's intent to submit a petition for an exemption from the recall requirements of the statute on the ground that the defect or noncompliance is inconsequential.

#### *Recordkeeping Regarding Recalls of Leased Vehicles*

After reviewing the petitions for reconsideration and the oral and written comments, NHTSA has decided to revise 49 CFR § 573.7 (d) and (e), which imposed requirements on manufacturers and lessors to maintain lists of the names and addresses of "known" lessees of vehicles covered by recall campaigns.

All of the manufacturers that participated in the reconsideration process stated that the divisions of the company that deal with recalls and maintain owner lists do not know whether a particular vehicle is leased. However, the manufacturers were concerned that they could be held responsible under the rule for "knowing" that a vehicle was leased because that information is contained in records maintained elsewhere in the organization, such as corporate offices or subsidiaries involved with fleet operations or consumer credit matters.

These manufacturers stated that it would be extremely costly and time-consuming to integrate their leased vehicle records with the vehicle owner lists prepared in connection with recall campaigns. Such records are generally maintained in separate databases in separate parts of the company and integrating the databases and reprogramming the systems to generate the information in the manner required by section 573.7(d) would require many months of work and substantial additional financial cost. Similarly, Polk, which is the principal source of vehicle registration information used by manufacturers in recall mailings, stated at the public meeting that it could not specifically identify for their manufacturer clients which vehicles on a given list of registered vehicles were leased. Finally, even apart from cost considerations, the manufacturers contended that they should not have to bear the burden of maintaining records reflecting lessee notification, since that should be the responsibility of the vehicle lessors.

On the basis of the foregoing information, NHTSA has concluded that any benefit to be gained by requiring manufacturers to identify those vehicles on its recall notification lists that are leased and the person or entity to whom notification was sent as the lessor or lessee is far outweighed by the cost and time burdens that manufacturers would

incur to implement such a system. Moreover, the agency agrees that it is not appropriate to require manufacturers to bear the burdens associated with keeping records regarding the notification of lessees, when Congress imposed the responsibility for such notification on the lessors.

Accordingly, NHTSA has decided to rescind in its entirety section 573.7(d) of the April 5 final rule. The agency will monitor lessor compliance with notification requirements of section 30119(f) through direct contact with lessors rather than by reviewing manufacturer records. To identify such lessors, NHTSA plans to obtain information from manufacturers and lessor organizations.

For similar reasons, the agency is also amending section 573.7(e), which primarily sets forth recordkeeping requirements applicable to lessors, by deleting language in the last two sentences that are applicable to record retention by manufacturers who send out recall notifications directly to lessees pursuant to agreements with lessors. Such lessees are, in effect, being notified as if they were owners, without any lessor involvement, so there is no need to apply additional recordkeeping burdens on the manufacturers to assure compliance requirements of section 30119(f).

Two commenters, AALA and TRALA, representing lessors, contended that the recordkeeping requirements for lessors set forth in section 573.7(e) are overly burdensome and time consuming because they require them to establish new systems for keeping these records. In addition, AALA questioned the utility of requiring lessors to maintain these records in light of the fact that, once the lease has expired, the vehicle generally undergoes one or more rapid changes of ownership. AALA questioned the purpose behind the requirement to maintain records on "vehicles whose future ownership the lessor would be unable to verify."

The purpose of this recordkeeping requirement is not to verify "future ownership" of vehicles; it is to give NHTSA a means of verifying that lessors are complying with their duty to provide their lessees with copies of safety recall notifications. This is analogous to the requirement that manufacturers must keep a record of recall notifications sent to registered owners.

The agency has made every effort to ensure that the recordkeeping requirements impose as little burden as possible on lessors. The information required is minimal (less than what is

required of manufacturers), and it should not entail great expenditure of resources to develop and maintain a record retention system. For these reasons, NHTSA is retaining the substantive requirements of section 573.7(e) as they apply to the lists that must be maintained by lessors.

#### *Amendments to Part 576—Record Retention*

Prior to the April 5 final rule, 49 CFR § 576.5 required vehicle manufacturers to retain relevant records for five years from the date they are generated or acquired. The April 5 rule amended section 576.5 to require such records to be maintained for eight years from the last date of the model year in which the vehicle to which the records relate was produced. After considering the petitions for reconsiderations and the oral and written comments submitted on this subject, NHTSA has decided to rescind the amendment to section 576.5 and reinstate the preexisting requirement.

The primary reason for this decision is the time and cost burdens that the amendment would have placed upon vehicle manufacturers. Several manufacturers stated that it would be highly costly and extremely time consuming to change their computerized record keeping systems to comply with the new record retention requirements. The agency has concluded that the safety benefit that would be derived from revising the record retention period requirements would be far outweighed by costs and other burdens on resources that would be incurred by manufacturers in order to make the change.

The agency is also making a technical amendment to 49 CFR § 576.6, which defines the records that must be retained by manufacturers under Part 576. Ford pointed out that in the text of the April 5 amendment, the word "such" does not appear as a modifier to the term "malfunctions" the second time that word appears (in the second sentence of the section). Ford expressed concern that the removal of the word "such" could be construed to broaden the scope of the section to cover additional types of records beyond those related to motor vehicle safety.

The agency does not agree that the slight change in the wording of this phrase would have had a substantive affect on the record retention requirements, since the revised language specified that the requirement only applied to records of "malfunctions that may be related to motor vehicle safety." Nevertheless, to prevent any possible misunderstanding, NHTSA is making a

technical amendment to this section to reinstate the preexisting wording. The agency wishes to emphasize that the April 5 amendment to section 576.6 that clarified that the record retention requirements apply to records made on electronic media has not changed, and remains in effect.

#### Amendments to Part 577—Defect and Noncompliance Notification

In its September 1993 notice of proposed rulemaking (NPRM) to implement the ISTEA requirement that vehicle lessors furnish their lessees with copies of notifications of safety-related defects and noncompliances in leased vehicles, NHTSA proposed to require manufacturers to include language in all recall notification letters to lessors that would remind them of their statutory obligations. Several comments submitted in response to the NPRM pointed out that it would be very difficult for manufacturers to identify which owners were lessors. On the basis of those comments, the April 5 final rule added a new section 577.5(h), which required manufacturers to include language describing a lessor's obligation to notify lessees of safety recalls in all owner notification letters.

During the reconsideration process, this requirement was vigorously challenged. Most commenters stated that the inclusion of lessor/lessee language in all owner notification letters would add clutter to the letter and could confuse the recipients of the owner notification letter who are not lessors/lessees. In addition, commenters representing various elements of the leased vehicle industry generally expressed the view that requiring manufacturers to notify lessors of their obligations is unnecessary for several alternative reasons: (1) Many lessors have an arrangement with manufacturers in which the latter mails recall letters directly to individuals on a list furnished by the lessor; (2) many individual lessees receive notification letters directly from manufacturers because the name of the lessee appears on the title as the owner; and (3) many lessors are already aware of their obligations and are complying with them.

These commenters also argued that the rule as written failed to take into account several features of the leased vehicle market: e.g., the fact that in consumer leasing, the lessee is likely to be the driver, whereas in commercial leasing, the vehicles will be driven by individuals who are not the lessee of record; and the fact that some lessors regard their lists of lessees as trade secrets and do not disclose them to

manufacturers (which are often perceived as competitors).

On reconsideration, the agency has concluded that section 577.5(h) should be rescinded. The likely confusion resulting from the inclusion of this information in all owner notification letters will outweigh any potential safety benefit associated with reminding lessors of their obligations, particularly since there is reason to believe that most lessors are already aware of those obligations. However, since it is likely that not all lessors are aware of the duty to notify their lessees of recalls, the agency believes that further steps are appropriate to maximize the number of lessors that are informed of their obligations under the statute and regulations. To that end, NHTSA plans to send a notice to vehicle lessors informing them of their statutory and regulatory obligations with respect to recall notification of their lessees. The agency will also monitor the performance of such lessors through periodic compliance reviews. The agency plans to identify vehicle lessors from several sources, including manufacturers, lessor associations, and commercial publications.

#### Other Issues

The agency has also considered issues raised by petitioners and commenters concerning other aspects of the April 5 final rule. Several entities asserted that NHTSA should have allowed more time to comply with the April 5 amendments. The agency recognized that the original 30-day period may not have allowed sufficient time for those affected by the changes to come into compliance. However, NHTSA remains convinced that the extension of the effective date for the provisions not affected by the petitions for reconsideration to July 7 (providing a total of over 90 days) was sufficient.

Most of the concerns about the time centered on the provisions regarding manufacturer recordkeeping for leased car notifications (section 573.7) and the changes in the duration of the record retention requirements of section 576.5. However, those concerns are now moot due to the substantive changes made to those sections on reconsideration.

The other issues raised by the petitions for reconsideration were essentially restatements of arguments made during the comment period prior to issuance of the final rule. The agency has concluded that no change of those provisions is warranted.

Advocates objected to the fact that NHTSA postponed the effective date of several provisions of the final rule while it was considering the merits of the

petitions for reconsideration. It noted that the agency had recently failed to stay a regulatory action when Advocates filed a petition for reconsideration.

Under 49 CFR § 553.35(d), a petition for reconsideration does not stay the effectiveness of a rule "unless the Administrator so provides." Thus, a decision whether or not to stay the effective date of a rule pending consideration of petitions for reconsideration is within the discretion of the Administrator.

In the Federal Register notice that first extended the effective date of all provisions of the April 5 rule from May 5 to July 7, 1995 (60 FR 26002), the agency noted, "The [petitioners] have presented NHTSA with information that makes a credible showing that they are not able to achieve compliance with at least some provisions of the final rule by May 5, and that it will be some months before they are able to do so." In addition, NHTSA noted that the short time between the filing of the petitions for reconsideration and original effective date precluded it from sorting through all of the provisions of this multifaceted rule and the arguments in the petitions in order to identify particular provisions whose effective date should have been extended. *Id.*

The agency extended the effective date of four specified provisions of the final rule beyond July 7, because it had decided that it needed to gather further information on those issues. See 60 FR 35458 (July 7, 1995). The agency believes that this decision was reasonable under the circumstances, and was adequately explained at the time.

The fact that the agency did not stay a rule for which Advocates sought reconsideration is not material. Unlike the manufacturers, Advocates did not risk noncompliance with Federal law if the agency had not stayed its action.

Advocates also contended that NHTSA should not have considered the merits of the arguments raised in the petitions for reconsideration because the manufacturers did not present any new information that could not have been presented prior to the issuance of the final rule. While it may be true that the information was previously available, there were relatively significant changes made to each of the four provisions between the NPRM and the April 5 final rule. The manufacturers could not have known exactly what the agency would require in those provisions. Thus, it was appropriate to consider the additional information and arguments presented in the reconsideration petitions and in the subsequent comments.

Rule Making Analyses and Notices

1. Executive Order 12866 (Federal Regulations) and DOT Regulatory Policies and Procedures

NHTSA has analyzed the changes made by this revised final rule and determined that it is not "significant" within the meaning of the Department of Transportation regulatory policies and procedures. OMB has also determined that it is not significant within the meaning of Executive Order 12866. These changes will not impose any costs on the regulated parties and are likely to reduce such costs.

2. Regulatory Flexibility Act

The agency has also considered the effects of this rulemaking action under the Regulatory Flexibility Act (5 U.S.C. 601 et seq.). I certify that this proposed rule will not, if promulgated, have a significant economic impact on a substantial number of small entities.

3. National Environmental Policy Act

In accordance with the National Environmental Policy Act of 1969, the agency has analyzed the environmental impacts of this rulemaking action and determined that implementation of this action will not have a significant impact on the quality of the human environment.

4. Paperwork Reduction Act

The amendments made by this final rule on reconsideration will not impose any new recordkeeping burdens and are likely to reduce such burdens.

5. Executive Order 12612 (Federalism)

This action has been analyzed in accordance with the principles and criteria contained in Executive Order 12612, and it has been determined that the rule making does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

6. Civil Justice Reform Act

This final rule does not have a retroactive or preemptive effect. Judicial review of this rule may be obtained pursuant to 5 U.S.C. section 702. That section does not require that a petition for reconsideration be filed prior to seeking judicial review.

List of Subjects

49 CFR Part 573

Imports; Motor vehicle safety; Motor vehicles; Reporting and record keeping requirements; Tires.

49 CFR Part 576

Motor vehicle safety; Reporting and recordkeeping requirements.

49 CFR Part 577

Motor vehicle safety.

In consideration of the foregoing, Parts 573, 576, and 577 of Title 49 of the Code of Federal Regulations are amended as follows:

PART 573—DEFECT AND NONCOMPLIANCE REPORTS

1. The authority citation for part 573 continues to read as follows:

Authority: 49 U.S.C. 30102–30103, 30112, 30117–30121, 30166–30167; delegation of authority at 49 CFR 1.50

2. Section 573.5 is amended by removing paragraphs (c)(8) (ii), (iii), and (iv), redesignating paragraphs (c)(8) (v) and (vi) as paragraphs (c)(8) (iii) and (iv) and revising them, and by adding a new paragraph (c)(8)(ii) to read as follows:

§ 573.5 Defect and noncompliance information report.

\* \* \* \* \*

(c) \* \* \*  
(8) \* \* \*

(ii) The estimated date on which it will begin sending notifications to owners that there is a safety-related defect or noncompliance and that a remedy without charge will be available, and the estimated date on which it will have completed such notification. If a manufacturer subsequently becomes aware that either the beginning or the completion date reported to the agency will be delayed by more than two weeks, it shall promptly advise the agency of the delay and the reasons therefor, and furnish a revised estimate.

(iii) If a manufacturer intends to file a petition for an exemption from the recall requirements of the Act on the basis that a defect or noncompliance is inconsequential as it relates to motor vehicle safety, it shall notify NHTSA of that intention in its report to NHTSA of the defect or noncompliance under this section. If such a petition is filed and subsequently denied, the manufacturer shall provide the information required by paragraph (c)(8)(ii) of this section within five Federal government business days from the date the petition denial is published in the Federal Register.

(iv) If a manufacturer advises NHTSA that it intends to file such a petition for exemption from the notification and remedy requirements on the grounds that the defect or noncompliance is inconsequential as it relates to motor vehicle safety, and does not do so within the 30-day period established by 49 CFR 556.4(c), the manufacturer must submit the information required by

paragraph (c)(8)(ii) of this section no later than the end of that 30-day period.

3. Section 573.7 is amended by removing paragraph (d), redesignating paragraph (e) as paragraph (d), and revising new paragraph (d) to read as follows:

§ 573.7 Lists of purchasers, owners, lessors and lessees.

\* \* \* \* \*

(d) Each lessor of leased motor vehicles that receives a notification from the manufacturer of such vehicles that the vehicle contains a safety-related defect or fails to comply with a Federal motor vehicle safety standard shall maintain, in a form suitable for inspection, such as computer information storage devices or card files, a list of the names and addresses of all lessees to which the lessor has provided notification of a defect or noncompliance pursuant to 49 CFR 577.5(h). The list shall also include the make, model, model year, and vehicle identification number of each such leased vehicle, and the date on which the lessor mailed notification of the defect or noncompliance to the lessee. The information required by this paragraph must be retained by the lessor for one calendar year from the date the vehicle lease expires.

PART 576—RECORD RETENTION

4. The authority citation for part 576 continues to read as follows:

Authority: 49 U.S.C. 30112, 30115, 30117–30121, 30166–30167; delegation of authority at 49 CFR 1.50.

5. Section 576.5 is revised to read as follows:

§ 576.5 Basic requirements.

Each manufacturer of motor vehicles shall retain as specified in § 576.7 all records described in § 576.6 for a period of five years from the date on which they were generated or acquired by the manufacturer.

6. Section 576.6 is revised to read as follows:

§ 576.6 Records.

Records to be retained by manufacturers under this part include all documentary materials, films, tapes, and other information-storing media that contain information concerning malfunctions that may be related to motor vehicle safety. Such records include, but are not limited to, communications from vehicle users and memoranda of user complaints; reports and other documents, including material generated or communicated by computer, telefax or other electronic means, that are related to work

performed under, or claims made under, warranties; service reports or similar documents, including electronic transmissions, from dealers or manufacturer's field personnel; and any lists, compilations, analyses, or discussions of such malfunctions contained in internal or external correspondence of the manufacturer, including communications transmitted electronically.

#### **PART 577—DEFECT AND NONCOMPLIANCE NOTIFICATION**

7. The authority citation for part 577 continues to read as follows:

Authority: 49 U.S.C. 30102–30103, 30112, 30115, 30117–30121, 30166–30167; delegations of authority at 49 CFR 1.50 and 49 CFR 501.8.

##### **§ 577.5 [Amended]**

8. Section 577.5 is amended by removing paragraph (h) and redesignating paragraph (i) as paragraph (h).

Issued on: December 21, 1995.

Ricardo Martinez,

*Administrator.*

[FR Doc. 95–31583 Filed 12–29–95; 10:49 am]

BILLING CODE 4910–59–M

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#### **DEPARTMENT OF COMMERCE**

##### **National Oceanic and Atmospheric Administration**

##### **50 CFR Parts 611 and 663**

[Docket No. 951227306–5306–01; I.D. 121295C]

##### **Foreign Fishing; Pacific Coast Groundfish Fishery; Annual Specifications and Management Measures**

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

**ACTION:** 1996 groundfish fishery specifications and management measures; 1996 preliminary fishery specifications for Pacific whiting; receipt of applications for experimental fishing permits; request for comments.

**SUMMARY:** NMFS announces the 1996 fishery specifications and management measures for groundfish taken in the U.S. exclusive economic zone (EEZ) and state waters off the coasts of Washington, Oregon, and California as authorized by the Pacific Coast Groundfish Fishery Management Plan (FMP). The specifications include the level of the acceptable biological catch (ABC) and harvest guidelines including the distribution between domestic and foreign fishing operations. The harvest guidelines are allocated between the limited entry and open access fisheries. The management measures for 1996 are designed to keep landings within the harvest guidelines, for those species for which there are harvest guidelines, and to achieve the goals and objectives of the FMP and its implementing regulations. The intended effect of these actions is to establish allowable harvest levels of Pacific Coast groundfish and to implement management measures designed to achieve but not exceed those harvest levels, while extending fishing and processing opportunities as long as possible during the year.

**DATES:** Effective 0001 hours (local time) January 1, 1996, until the 1997 annual specifications and management measures are effective, unless modified, superseded, or rescinded. The 1997 annual specifications and management measures will be published in the Federal Register. Comments will be accepted until February 5, 1996.

**ADDRESSES:** Comments on these specifications should be sent to Mr. William Stelle, Jr., Director, Northwest Region, National Marine Fisheries Service, 7600 Sand Point Way N.E., BIN C15700, Bldg. 1, Seattle, WA 98115–0070; or Ms. Hilda Diaz-Soltero, Director, Southwest Region, National Marine Fisheries Service, 501 West Ocean Blvd., Suite 4200, Long Beach, CA 90802–4213. Information relevant to these specifications and management measures, including the stock assessment and fishery evaluation (SAFE) report, has been compiled in aggregate form and is available for public review during business hours at the office of the Director, Northwest Region, NMFS (Regional Director), or may be obtained from the Pacific

Fishery Management Council (Council), by writing the Council at 2130 SW Fifth Avenue, Suite 224, Portland, OR 97201.

**FOR FURTHER INFORMATION CONTACT:** William L. Robinson (Northwest Region, NMFS) 206–526–6140; or Rodney R. McInnis (Southwest Region, NMFS) 310–980–4040.

**SUPPLEMENTARY INFORMATION:** The FMP requires that fishery specifications for groundfish be evaluated each calendar year, that harvest guidelines or quotas be specified for species or species groups in need of additional protection, and that management measures designed to achieve the harvest guidelines or quotas be published in the Federal Register and made effective by January 1, the beginning of the fishing year. This action announces and makes effective the final 1996 fishery specifications and the management measures designed to achieve them. These specifications and measures were considered by the Council at two meetings and were recommended to NMFS by the Council at its October 1995 meeting.

**I. Final Specifications: ABCs and Harvest Guidelines; Apportionments to Foreign and Joint Venture Fisheries; Open Access and Limited Entry Allocations**

The fishery specifications include ABCs, the designation of harvest guidelines or quotas for species that need individual management, the apportionment of the harvest guidelines or quotas between domestic and foreign fisheries, and allocation between the open access and limited entry segments of the domestic fishery.

The final 1996 specifications for ABCs, harvest guidelines, and limited entry and open access allocations are listed in Table 1, followed by a discussion of each 1996 specification that differs from 1995. The apportionment between foreign and domestic fisheries is explained separately at the end of this section. As in the past, the specifications include fish caught in state ocean waters (0–3 nautical miles (nm) offshore) as well as fish caught in the EEZ (3–200 nm offshore).