

eligible vessels and that have a program to provide for the acquisition, construction or reconstruction of a qualified vessel as defined in section 607(k)(2) of the Act.

*Annual Responses:* 130.

*Annual Burden:* 15.4 hours average per year per respondent.

*Comments:* Send all comments regarding this information collection to Joel C. Richard, Department of Transportation, Maritime Administration, MAR-120, Room 7210, 400 Seventh Street, S.W., Washington, D.C. 20590. Send comments regarding whether this information collection is necessary for proper performance of the function of the agency and will have practical utility, accuracy of the burden estimates, ways to minimize this burden, and ways to enhance quality, utility, and clarity of the information to be collected.

By Order of the Maritime Administrator.

Dated: February 27, 1997.

Joel C. Richard,

Secretary.

[FR Doc. 97-5346 Filed 3-4-97; 8:45 am]

BILLING CODE 4910-81-P

## National Highway Traffic Safety Administration

[Docket No. 96-116, Notice 2]

### Capacity of Texas, Inc.; Grant of Application for Temporary Exemption From Federal Motor Vehicle Safety Standard No. 121

Collins Industries of Hutchinson, Kansas, on behalf of its subsidiary, Capacity of Texas, Inc., of Longview, Texas, applied for a temporary exemption from paragraph S5.1.6 of Federal Motor Vehicle Safety Standard No. 121 *Air Brake Systems*. The basis of the application was that compliance will cause substantial economic hardship to a manufacturer that has tried to comply with the standard in good faith.

Notice of receipt of the application was published on November 15, 1996, and an opportunity afforded for comment (61 FR 58604).

Paragraph S5.1.6 (which includes S5.1.6.1-S5.1.6.3) of Standard No. 121 requires in pertinent part that each truck tractor manufactured on and after March 1, 1997, be equipped with an antilock brake system. Capacity of Texas ("Capacity") asked that one of its truck tractor models be exempted for three months from the provisions of S5.1.6 that will apply to it effective March 1, 1997. Capacity manufactures the Trailer Jockey "Model TJ-5000 (Off Highway)"

truck tractor. Terming it a "yard tractor", Capacity stated that "this type of truck is designed to operate in a freight yard moving trailers from one terminal entrance to another \* \* \* geared to limited speed [45 mph maximum] and to provide start-up torque for repeated stopping and starting." The tractors generally operate at 25 mph.

Because these terminal tractors do not appear manufactured primarily for use on the public roads, ordinarily NHTSA would not consider them to be "motor vehicles" to which Standard No. 121 applies. However, Capacity is currently working to fill its third contract with the U.S. Postal Service. Unlike the other two contracts, the present Postal Service contract specifies that the truck tractors be certified to comply with all Federal motor vehicle safety standards applicable to on-road truck tractors, even though Capacity estimates that the tractors will spend "approximately 5% or less of their life in operation on the public highways." Capacity's contract is for 210 vehicles, to be produced between September 1996 and June 1997, and it estimated that the final 60 under the order will be completed by the end of May 1997. It thus seeks an exemption from March 1, 1997, to June 1, 1997, from the antilock brake requirements for the 60 tractors.

One option that it examined is acceleration of its production schedule so that manufacture of all vehicles could be completed by March 1, 1997. However, this would require an increase in production rates "by at least 33% two months prior to the March 1, 1997 date." The work in part would have to be performed by newly hired and trained employees, increasing its overtime costs by 100%. It estimates that total costs would be greater by far than its net income for the fiscal year ending October 31, 1996. In addition, it would have to lessen its efforts to fill other orders, with a consequent loss of business. This means that, at the completion of the order as of March 1, 1997, it would have to lay off 50% of its work force until more orders were received and an orderly production schedule established. For these reasons, acceleration of the production schedule would cause it substantial economic hardship.

A further option is to delay production of the 60 vehicles until compliance with Standard No. 121 is achieved. Capacity stated that "it will be possible to delay delivery of other customer trucks until testing of ABS truck systems is complete." However, according to Capacity, delay for conformance is not acceptable to the

Postal Service because it would result in a fleet of dissimilar vehicles requiring different spare parts. As Capacity further argued, identical vehicles are desired by the Postal Service because "all drivers in the fleet can be trained to the same operating procedures" and "Fleet maintenance people will be working on these trucks and will be able to maintain all 270 using the same procedures." Even if a delay were acceptable to the Postal Service, Capacity would have to absorb the increase in costs since "the price is fixed by contract and no upward price relief is available."

In the year preceding the filing of its petition, Capacity produced and certified 47 vehicles for on-road use other than those produced under the postal contract. It also produced less than 500 off-road vehicles. In the same period, its parent corporation, Collins, Inc., manufactured less than 2,000 school buses and less than 2,000 ambulance conversions. Capacity's net income has declined over the past three fiscal years and, in its fiscal year ending October 31, 1996, is far less than \$1,000,000.

Capacity argued that a temporary exemption would be in the public interest because the vehicles are produced for the U.S. Postal Service. It submitted that an exemption is also consistent with motor vehicle safety because "NHTSA is using a staggered effectivity date for addition of antilock brakes to tractors, trucks, and buses." It pointed out that "[t]here will be many vehicles built during the 3 months of this petition that are built under the old standard \* \* \*. The only reason tractors are involved is because they got the first effectivity date instead of buses."

One comment was received. Carter Hart of Corsicana, Texas, does not like anti-lock brakes and commented that "[t]he company requesting the exemption from this regulation should not need one because it is the regulation which is flawed." NHTSA considers this comment irrelevant to the merits of the application.

Capacity's application presents a situation that differs from the usual hardship case where a small manufacturer's resources may be insufficient to achieve compliance by the effective date of a standard or to test for compliance, or where the small volume manufacturer is experiencing difficulties in obtaining conforming parts in a timely fashion. Capacity and its parent do not have net and cumulative losses in the three years before the application was filed; however, its net income has declined

over these years. Further, Capacity can achieve compliance with Standard No. 121 after some delay, but presents arguments why it may not be in the public interest to do so.

NHTSA has great flexibility in its interpretation of the phrase "substantial economic hardship." Ordinarily it may consider cumulative net losses a *per se* demonstration of hardship, but it specifically invites applicants to submit "[a] discussion of any other hardships (e.g., loss of market) that the petitioner desires the agency to consider." (49 CFR 555.7(a)(1)(D)(vi)). In this situation, Capacity will not have a problem if it accelerates its manufacturing schedule to complete the order before the effective date of the new provisions of Standard No. 121. But this can be achieved only at the cost of hiring and training additional manufacturing personnel, and requiring its work force to work exclusively and overtime on filling the order of the Postal Service to the detriment of other customers whose orders will then be delayed. These costs cannot be recovered under Capacity's fixed cost contract with the Postal Service. NHTSA also notes that the quality of the vehicles may suffer when vehicles are rushed to completion by a newly-trained work force. All these are hardship factors that NHTSA deems relevant to its determination.

The facts also indicate that the Administrator's findings that a manufacturer has made a good faith effort to conform and that an exemption is in the public interest and consistent with traffic safety objectives stem from the following scenario. Capacity can achieve compliance no later than 3 months after the effective date of the amendments to Standard No. 121. While it is willing to defer completion of its order until then, this is not acceptable to its customer who has already taken delivery of the initial vehicles for which it has contracted. Delayed delivery will not only deprive the Postal Service of vehicles it needs, but also require it to train drivers and maintenance personnel in two differing procedures. NHTSA believes that this may complicate replacement parts inventories as well. All in all, this would appear to increase the costs to the Postal Service which will contribute to the on-going economic pressure for increases in postal rates. The effect on safety of providing an exemption for 60 truck tractors which will spend only an estimated 5% of their lives on the public roads would appear to be *de minimis*.

On the basis of the foregoing, it is hereby found for good cause shown, that compliance with Standard No. 121

would cause substantial economic hardship to a manufacturer that has tried in good faith to comply with the standard. It is further found that a temporary exemption is in the public interest and consistent with the objectives of traffic safety. Accordingly, Capacity of Texas, Inc., is hereby granted NHTSA Temporary Exemption No. 96-1 from paragraph S5.1.6 of 49 CFR 571.121 Motor Vehicle Safety Standard No. 121 "Air Brake Systems" expiring June 1, 1997.

(49 U.S.C. 30113; delegation of authority at 49 CFR 1.50.)

Issued on: February 28, 1997.

Ricardo Martinez,

*Administrator.*

[FR Doc. 97-5427 Filed 3-4-97; 8:45 am]

BILLING CODE 4910-59-P

## Bureau of Transportation Statistics

### Advisory Council on Transportation Statistics

**AGENCY:** Bureau of Transportation Statistics, DOT.

**ACTION:** Notice of meeting.

**SUMMARY:** Pursuant to Section 10(A)(2) of the Federal Advisory Committee Act (Pub. L. 72-363; 5 U.S.C. App. 2), notice is hereby given of a meeting of the Bureau of Transportation Statistics (BTS) Advisory Council on Transportation Statistics (ACTS) to be held Friday, March 21, 1997, 10:00 to 4:00 p.m. The meeting will take place at the U.S. Department of Transportation, 400 7th Street, SW., Washington, DC, in conference room 9234 of the Nassif Building.

The Advisory Council, called for under Section 6007 of Pub. L. 102-240, Intermodal Surface Transportation Efficiency Act of 1991, December 18, 1991, and chartered on June 19, 1995, was created to advise the Director of BTS on transportation statistics and analyses, including whether or not the statistics and analysis disseminated by the Bureau are of high quality and are based upon the best available objective information.

The agenda for this meeting will include a review of the last meeting, identification of substantive issues, review of plans and schedule, other items of interest, discussion and agreement of date(s) for subsequent meetings, and comments from the floor.

Since access to the DOT building is controlled, all persons who plan to attend the meeting must notify Ms. Carolee Bush, Council Liaison, on (202) 366-6946 prior to March 20. Attendance is open to the interested public but

limited to space available. With the approval of the Chair, members of the public may present oral statements at the meeting. Noncommittee members wishing to present oral statements, obtain information, or who plan to access the building to attend the meeting should also contact Ms. Bush.

Members of the public may present a written statement to the Council at any time.

Persons with a disability requiring special services, such as an interpreter for the hearing impaired, should contact Ms. Bush (202) 366-6946 at least seven days prior to the meeting.

Issued in Washington, DC, on February 28, 1997.

Robert A. Knisely,

*Executive Director, Advisory Council on Transportation Statistics.*

[FR Doc. 97-5428 Filed 3-4-97; 8:45 am]

BILLING CODE 4910-FE-P

## DEPARTMENT OF THE TREASURY

### Fiscal Service

[Dept. Circ. 570, 1996 Rev., Supp. No. 9]

### Surety Companies Acceptable on Federal Bonds; Redland Insurance Company

A certificate of Authority as an acceptable surety on Federal Bonds is hereby issued to the following company under Sections 9304 to 9308, Title 31, of the United States Code. Federal bond-approving officers should annotate their reference copies of the Treasury Circular 570, 1996 Revision, on page 34304 to reflect this addition:

*Redland Insurance Company,*  
BUSINESS ADDRESS: 222 South 15th Street, Suite 600 North, Omaha, NE, 68102. PHONE: (402) 344-8800.  
UNDERWRITING LIMITATION *b/*: \$3,224,000. SURETY LICENSES *c/*: AL, AZ, AR, CA, CO, DE, DC, FL, GA, ID, IL, IN, IA, KS, KY, LA, ME, MD, MN, MS, MO, MT, NE, NV, NH, NM, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, UT, VT, VA, WA, WV, WI, WY.  
INCORPORATED IN: Iowa.

Certificates of Authority expire on June 30 each year, unless revoked prior to that date. The Certificates are subject to subsequent annual renewal as long as the companies remain qualified (31 CFR, Part 223). A list of qualified companies is published annually as of July 1 in Treasury Department Circular 570, with details as to underwriting limitations, areas in which licensed to transact surety business and other information.

The Circular may be viewed and downloaded through the Internet (<http://>