procedures set forth in 40 CFR part 2. If no claim of confidentiality accompanies a submission when it is received by the EPA, the information may be made available to the public without further notice to the commenter.

World Wide Web (WWW)

In addition to being available in the docket, an electronic copy of the proposed NESHAP will also be available on the WWW through the Technology Transfer Network (TTN). Following the Administrator's signature, a copy of the proposed NESHAP will be posted on the TTN's policy and guidance page for newly proposed or promulgated rules at *http://www.epa.gov/ttn/oarpg.* The TTN provides information and technology exchange in various areas of air pollution control. If more information regarding the TTN is needed, call the TTN HELP line at (919) 541–5384.

The EPA published its proposed rules for the Miscellaneous Organic Chemical Manufacturing source category and the Miscellaneous Coating Manufacturing source category, on April 4, 2002 (67 FR 16154). In the proposed rules, we originally scheduled the public hearing date for May 6, 2002, contingent upon receiving a request for one. We did receive a request to hold a public hearing, so we are announcing that the public hearing date is rescheduled for May 23, 2002. We also scheduled the comment period to end on June 3, 2002; however, we are now extending the comment period to June 28, 2002. We are extending these dates because many of the facilities affected by the proposed rules will also be subject to other proposed MACT standards that will have public comment periods overlapping with the comment periods of the Miscellaneous Organic Chemical Manufacturing and the Miscellaneous Coating Manufacturing NESHAP. In addition, many of these facilities also have actions due, such as precompliance reports, during this same time period on promulgated MACT standards that affect them. This extension of the public comment period and the public hearing date will provide these facilities additional time necessary to better prepare meaningful comments on these proposed rules.

Dated: April 25, 2002.

Robert Brenner,

Acting Assistant Administrator for Air and Radiation.

[FR Doc. 02–10728 Filed 4–30–02; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Parts 89, 90, 91, 94, 1048, 1051, 1065, and 1068

[AMS–FRL–7204–7]

RIN 2060–AI11

Control of Emissions from Nonroad Large Spark Ignition Engines and Recreational Engines (Marine and Land-based); Extension of Comment Period

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule; reopening of comment period.

SUMMARY: The Environmental Protection Agency published in the **Federal Register** of October 5, 2001, a notice of proposed rulemaking proposing new emission standards for large spark-ignition engines, recreational vehicles using spark-ignition engines, and recreational marine diesel engines. The Agency received a number of comments noting considerable information on strategies to reduce permeation emissions and suggesting that requirements controlling such emissions be proposed for land-based recreational vehicles. As a result, EPA is requesting comment on whether it should finalize an emission standard controlling permeation emissions from fuel tanks and hoses for land-based recreational vehicles. This document provides a detailed discussion regarding this issue and discusses what form a final standard regulating these permeation emissions would take. This document extends the period for written comments on that notice of proposed rulemaking to May 31, 2002. The extension only applies to comments on whether EPA should finalize emission standards regulating permeation emissions from land-based recreational vehicles, and, if so, the form such standards would take.

DATES: *Comments:* Send written comments on this notice by May 31, 2002.

ADDRESSES: You may send written comments in paper form to Margaret Borushko, U.S. EPA, National Vehicle and Fuels Emission Laboratory, 2000 Traverwood, Ann Arbor, MI 48105. We must receive them by the date indicated under **DATES** above. You may also submit comments via e-mail to *''NRANPRM@epa.gov.''* In your correspondence, refer to Docket A–2000–01.

FOR FURTHER INFORMATION CONTACT: Margaret Borushko, U.S. EPA, National Vehicle and Fuels Emission Laboratory, 2000 Traverwood, Ann Arbor, MI 48105; Telephone (734) 214–4334; FAX: (734) 214–4816; E-mail: *borushko.margaret@epa.gov.* EPA hearings and comments hotline: 734–214–4370.

SUPPLEMENTARY INFORMATION: On October 5, 2001, we published a Notice of Proposed Rulemaking (NPRM) for the Control of Emissions from Nonroad Large Spark Ignition Engines and Recreational Engines (Marine and Land-Based) (66 FR 51098). The comment period for the NPRM was originally scheduled to end on December 17, 2001; however, the comment period was extended to January 18, 2002 as a result of several requests for additional time. During this comment period, we received many comments from a wide range of commenters covering a broad range of issues. One of the issues that was raised by several commenters [1] was the information related to the control of evaporative emissions related to permeation from fuel tanks and fuel hoses, and the lack of any proposed emission standards regulating these emissions from land-based recreational vehicles.

We have conducted our initial review and assessment of the issues and data raised in these comments, and believe that they have merit and should be presented to the public for further consideration. Therefore, we are asking for comment on the possibility of finalizing standards regulating permeation emissions from land-based recreational vehicles. Our work on evaporative emissions from marine applications indicates that the permeation emissions from tanks and hoses are a large part of the total emissions from these applications. Additionally, commenters stated that work done by the California Air Resources Board (ARB) on permeation emissions from plastic fuel tanks and rubber fuel line hoses for various types of nonroad equipment as well as portable plastic fuel containers indicated that these permeation emissions are a concern. Our own investigation into the hydrocarbon emissions related to permeation of fuel tanks and fuel hoses with respect to marine applications supports the concerns raised by the commenters. Given this, we are assessing the possibility of regulating permeation emissions from other vehicle types, including, off-highway motorcycles (OHM), all-terrain vehicles (ATVs) (including utility work and specialty

[1] See public docket A–2000–1 IV–D–186, items IV–D–198, and IV–D–202.

vehicles), and snowmobiles that may use fuel tanks or hoses with less-than-optimal control of permeation emissions.

I. Description of Regulatory Concept

We are reopening the comment period for land-based recreational vehicles to request comment on whether we should finalize standards that would require low permeability fuel tanks and hoses on off-highway motorcycles, ATVs, and snowmobiles starting with the 2006 model year. The requirements would phase-in beginning for all three types of recreational vehicle at 50 percent in 2006 and 100 percent in 2007. This is the same start year as was proposed in the October 5, 2001 NPRM for exhaust emission control for these three types of recreational vehicle. We believe cost-effective technologies exist to significantly reduce permeation emissions. Because all of these vehicles use high density polyethylene (HDPE) tanks, manufacturers would in all likelihood have to employ one of the barrier technologies (*e.g.,* a fluorination or sulfonation treatment) described below to meet the standards. The use of metal fuel tanks would also meet the standards, since metal tanks do not experience any permeation losses. Fuel tanks built with permeation resistant barrier layers would also be possible, but could likely be more expensive and employ production practices not used on HDPE tanks in these applications. We also request comment on promulgating standards that would also require the use of low permeability fuel hoses on all land-base recreational vehicles, starting with 50 percent implementation in the 2006 model year and 100 percent in 2007.

Even though snowmobiles do not usually experience year around use, as is the case with ATVs, off-highway motorcycles, etc., we are including snowmobiles in this request for comment because it is common practice among snowmobile owners to store their snowmobiles in the off-season with fuel in the tank (typically half full to full tank). A fuel stabilizer is typically added to the fuel to prevent gum, varnish, and rust from occurring in the engine as a result of the fuel sitting in the fuel tank and fuel system for an extended period of time, but this does not reduce permeation. Thus, snowmobiles experience fuel permeation losses just like off-highway motorcycles and ATVs. We request comment on the fuel storage practices of snowmobile operators.

EPA requests comments in several areas with regard to the way in which requirement might be implemented. First, we request comment on the form these standards would take (*e.g.,* whether there should be absolute numerical limits on a gram per gallon basis or if the standard should be expressed as a grams per square meter per day of tank surface area). Given differences in wall thickness, tank geometry, material quality, and pigment, we also ask comment on whether an emission credit averaging, banking, and trading (ABT) scheme would be helpful and necessary for the fuel tank permeation requirements. If we do adopt ABT provisions, we would envision an ABT program similar in nature to that used for heavy-duty engines (*see* 40 CFR 86.004–15) but substituting fuel tank volume for transient conversion factor.

Information indicates that permeation emissions can essentially be eliminated at minimal cost. We are interested in comments on provisions that would require near zero permeation levels, with a small factor to address issues such as measurement accuracy or repeatability. Available data indicate that 95 percent reductions are achievable. Achieving reductions at this level repeatedly would require tanks with consistent material quality, amount, and composition including pigments and any additive packages. This would enable process and efficiency optimization and consistency in the effectiveness of surface treatment processes. These reductions imply a tank permeability standard of 0.04 grams per gallon per day at 30°C or about 0.4 to 0.5 grams per square meter per day. We are also requesting comments on the estimates for emissions reductions and costs presented in this notice.

Certification with these fuel tank requirements would require testing such as that described in 49 CFR 173 appendix B, California ARB test method 513, or equivalent, as laid out in the docket. Normally five tests would be required and the average value used. This test is based on a change in filled tank mass over a period of time. We would consider a temperature of 28°C ± 28°C to be an appropriate range for our testing requirement. Vehicle manufacturers or tank manufacturers could certify and either could contract with a party providing barrier treatment or another source to do the required testing.

With regard to fuel hoses, the requirement would apply to any line normally containing liquid gasoline in storage or operation. These fuel hoses could be certified as being manufactured in compliance with certain accepted SAE specifications. These certification statements could be done on a family basis, or possibly a blanket statement could cover a manufacturer's entire product line. Similarly, near zero permeation emissions from hoses are feasible. Assuming a factor to address testing concerns, EPA expects that 95 percent reductions over uncontrolled emission levels for permeation are achievable for rubber hoses. For fuel hoses, we would consider a standard of 5 grams per square meter per day at 23°C, as would be measured using the recommended test procedure in SAE J1527.

We also request comment on implementing requirements such as those described above by allowing the manufacturer to submit a statement at the time of certification that the fuel tanks and hoses used on their products meet standards, specified materials, or construction requirements based on testing results. For example, a manufacturer using plastic fuel tanks could state that the family at issue is equipped with a fuel tank with a low permeability barrier treatment such as fluorination and provide EPA the supporting test information as described above for the worst case configuration in the family. Key parameters could include tank geometry, wall thickness, pigment, additive package, and amount of material in the tank. All tanks in the family would require the same level or type of treatment in production.

We request comment on these and other options that would enable regulation and enforcement of low permeability requirements. Most notably we are interested in provisions that would allow the certificate holder assurance that the treated tanks and fuel hoses provided by suppliers/vendors consistently meet the performance specifications laid out in the certificate and provisions regarding liability.

Information concerning potential draft regulations covering these implementation provisions as discussed above can be found in the public docket (A–2000–1).

Another important element of the test requirements is fuel quality. Permeation testing generally involves a gasoline or hydrocarbon mixture and may involve alcohol as well. There are at least four possible test fuels for consideration. *These include:* (1) Neat gasoline such as current EPA certification fuel, (2) certification quality gasoline with a 10% ethanol blend as is prescribed for the Tier 2 automobile evaporative standards, (3) ASTM D471 test fuel C (50% iso-octane/50% toluene) and, (4) ASTM D471 test fuel I (test fuel C with 15% methanol). Permeation is greater with alcohol-blend fuels and since there

is a significant amount of ethanol and other alcohols used in gasohol and other summer and winter gasolines Tier 2 type evaporative test fuel is of special interest. We are requesting comments on the test fuel.

II. Technological Feasibility

EPA believes there are available technologies that can reduce permeation emissions to near-zero levels. For example, fluorinated fuel tanks and low permeability hoses, which are already available for small additional costs, could reduce permeation of tanks and hoses by 95 percent or more. The application of these technologies to land-based recreational vehicles appears to be relatively straightforward, with little cost and no adverse performance or aesthetic impacts. In addition, the control technology would generally pay for itself over time by conserving fuel that would otherwise evaporate.

A recent regulation in California requires a change from untreated high-density polyethylene (HDPE) plastic to fluorinated or sulfonated HDPE portable gasoline cans. Fuel tanks used by land-based recreational vehicles are all made of HDPE. Comments from California ARB suggest that the same technology used for small portable HDPE gasoline fuel cans could be readily applied to the fuel tanks of recreational vehicles.

As discussed above, there are two types of fuel tank barrier processes that can be employed to reduce or eliminate permeation in HDPE plastic tanks. The fluorination process causes a chemical reaction where exposed hydrogen atoms are replaced by larger fluorine atoms which form a barrier on the surface of the fuel tank. In this process, fuel tanks are stacked in a steel basket and placed in a sealed reactor. All of the air in the reactor is removed and replaced with fluorine gas. By pulling a vacuum in the reactor, the fluorine gas is forced into every crevice in the fuel tanks. As a result of this process, both the inside and outside surfaces of the fuel tank are treated. As an alternative, for tanks that are blow molded, the inside surface of the fuel tank can be exposed to fluorine during the blow molding process. In a similar barrier strategy, called sulfonation, sulfur trioxide is used to create the barrier by reacting with the exposed polyethylene to form sulfonic acid groups on the surface. Either of these processes can be used to reduce gasoline permeation by more than 95 percent. [2]

The majority of fuel hoses used in recreational vehicles today are made of nitrile rubber which has a high rate of fuel permeation.[3] However, low permeation hoses are available that could be used in these applications. Low permeability hoses produced today are generally constructed in one of two ways: using a low permeability material or a low permeability barrier layer. One hose design, already used in some marine applications, uses a thermoplastic layer between two rubber layers to control permeation. This thermoplastic barrier may either be nylon or ethyl vinyl alcohol. In automotive applications, other barrier materials are used such as fluoroelastomers and fluoroplastics which are two to three orders of magnitude less permeable than hoses currently on recreational vehicles.[4] By replacing rubber hoses with low permeability hoses, permeation emissions through the fuel hoses can be reduced by more than 95 percent. An added benefit of low permeability lines is that some fluoropolymers can be made to conduct electricity and therefore can prevent the buildup of static charges.

III. Projected Impacts

A. Economic Impact

Off-highway motorcycle fuel tanks range in capacity from approximately one gallon on some smaller youth models to about three gallons on some enduro motorcycles. For ATVs, fuel tanks range from one gallon for the smaller youth models to five gallons for the larger utility models. Finally, snowmobile fuel tanks range from 10 gallons to about 12 gallons. We estimate that fluorination of the fuel tanks would cost about $0.50 per gallon of capacity. Cost is related to fuel tank size because the cost of the treatment to any given level of effectiveness depends on how many fuel tanks can be fit into the fluorination chamber and the amount of polymer to be treated. It is estimated that shipping, handling, and overhead costs would be an additional $0.22 to $0.81 per fuel tank depending on tank volume. Table 1 presents estimated costs of fuel tank permeation control using fluorination.

EPA's examination of land-based recreational vehicles indicated that none of these vehicles are equipped with fuel hoses that significantly reduce or eliminate permeation. The incremental cost of a fuel line with low permeation properties for recreational vehicles is estimated to be about $1.00 per foot. For off-highway motorcycles, it is estimated that they use approximately one to two feet of fuel line on average. For ATVs, we estimate one foot of fuel line on average. Snowmobiles are a little more complex since they use multi-cylinder engines (either two or three cylinders). For two cylinder engines we estimate two to three feet of fuel line and for three cylinder engines we estimate three to four feet of fuel line. We are interested in collecting more information regarding fuel hoses currently used on land-based recreational vehicles, in particular regarding the typical length, the material, and the permeation properties. Table 1 also presents estimated costs of hose permeation control. Fuel savings due to reducing permeation, which are discussed later, are not included in this table. The costs in Table 1 include a 30 percent manufacturer markup from the vehicle manufacturer.

TABLE 1.—AVERAGE COST OF PERMEATION CONTROL PER VEHICLE

	OHM	ATVs	Snow-mo-biles
Average fuel tank capacity [gallons]	3	4	11
Fluorination cost (includes shipping/handling/overhead)	$2.19	$2.93	$5.43
Average hose length [feet]	1.5	1	3.5
Increased Hose Cost	1.95	1.30	4.55
Total Cost Increase	4.14	4.23	9.98

B. Environmental Impact

As was discussed earlier, EPA as well as California ARB, have conducted permeation testing with regard to permeation emissions from HDPE plastic tanks. Permeation rates varied from 0.2 to1.0 grams per gallon per day with an average value of 0.76 g/gal/day. This data was based on tests with an average temperature of about 29°C. Temperature has a first-order effect on the rate of permeation. Roughly, permeation doubles with every 10°C increase in temperature. For example, we estimate that at 23°C, the average value for these fuel tanks would be about 0.50 g/gal/day. This test data can be found in the docket

[2] Kathios, D., Ziff, R., Petrulis, A., Bonczyk, J., ''Permeation of Gasoline and Gasoline-alcohol Fuel Blends Through High-Density Polyethylene Fuel Tanks with Different Barrier Technologies,'' SAE Paper 920164, 1992, Air Docket A–2000–01, Document No. II–A–60.

[3] Stahl, W., Stevens, R., ''Fuel-Alcohol Permeation Rates of Fluoroelastomers, Fluoroplastics, and other Fuel Resisitant Materials,'' SAE 920163, 1992.

[4] Denbow, R., Browning, L., Coleman, D., ''Report Submitted for WA 2–9, Evaluation of the Costs and Capabilities of Vehicle Evaporative Emission Control Technologies,'' ICF, ARCADIS Geraghty & Miller, March 22, 1999.

Fuel hoses on recreational vehicles generally have an inside diameter of about 6 mm (1/4 inch) and a permeation rate of 550 grams per square meter per day for uncontrolled hoses at 23°C. We base this permeation rate on the SAE J30 requirement for R7 fuel hose.[5] For 1 foot of fuel hose, this yields an emission rate of 5.0 g/day at 23°C.

Table 2 presents national totals for permeation emissions from recreational vehicles. These permeation estimates are based on the emission rates discussed above and population and turnover estimates used in our draft NONROAD emissions model.[6] The daily temperatures by region (6 regions are used) are based on a report which summarizes a survey of dispensed fuel and ambient temperatures in the United States.[7]

TABLE 2.—POTENTIAL PERMEATION EMISSION CONTROL REDUCTIONS

[tons/yr]

Category	Scenario	2005	2010	2020	2030
Off-highway motorcycles	baseline	6,203	6,434	6,903	6,847
	control	6,203	3,258	188	651
	reduction	0	246	519	563
ATVs	baseline	24,891	33,136	38,856	36,777
	control	24,891	21,574	4,139	7,046
	reduction	0	11,562	34,716	29,731
Snowmobiles	baseline	16,083	16,681	17,899	17,679
	control	16,083	8,462	517	2,320
	reduction	0	8,219	17,382	15,359
Total	baseline	47,178	56,251	63,658	61,303
	control	41,178	33,294	4,845	10,018
	reduction	0	22,957	58,813	51,286

C. Cost per Ton of Emissions Reduced

The average lifetimes of typical recreational vehicles are estimated to be about 9 years for off-highway motorcycle and snowmobiles and 13 years for ATVs. Permeation control techniques can reduce emissions by about 95 percent for plastic fuel tanks and more than 99 percent for rubber hoses. Multiplying this efficiency and these emission rates by the life of the vehicles and discounting at 7 percent gives us lifetime per vehicle emission reductions. Using the cost estimates above, we have also determined cost per ton of hydrocarbons reduced. These estimates are presented Table 3.

TABLE 3.—ESTIMATED COST PER TON OF HC REDUCED WITHOUT FUEL SAVINGS

Category	Source	Cost (NPV)	Lifetime reductions (NPV, tons)	Discounted cost per ton ($/ton)
Off-highway motorcycles	fuel tank	$2.19	0.0026	$828
	fuel hose	$1.95	0.0315	$62
Total		$4.14	0.0342	$121
ATVs	fuel tank	$2.93	0.0044	$664
	fuel hose	$1.30	0.0263	$49
Total		$4.23	0.0307	$138
Snowmobiles	fuel tank	$5.43	0.0079	$689
	fuel hose	$4.55	0.0598	$76
Total		$9.98	0.0677	$147

Because these emissions are composed of otherwise useable fuel that is lost to the atmosphere, measures that reduce permeation emissions can result in potentially significant fuel savings. Table 4 presents our estimates of these fuel savings as well as adjusted cost per ton estimates which consider these fuel savings. The value of the fuel savings presented are based on a discount rate of 7 percent and an average nontax gasoline fuel price of $1.10 per gallon. As is shown below, the fuel savings are generally larger than the cost of using low permeation technology. To the consumer this is a net cost savings over the vehicle life of about $8 for off-highway motorcycles, $7 for ATVs, and $14 for snowmobiles. It is estimated that this technology would save about 20 million gallons of gasoline per year when fully implemented.

[5] SAE J30, ''Fuel and Oil Hoses,'' Surface Vehicle Standard, Society of Automotive Engineer Revised June 1998.

[6] This information is also available in Chapter 6 of the Regulatory Support Document for the NPRM. For more detailed information on the draft NONROAD model, see our Web site at *www.epa.gov/otaq/nonrdmdl.htm.*

[7] API Publication No. 4278, ''Summary and Analysis of Data from Gasoline Temperature Survey Conducted at Service Stations by American Petroleum Institute,'' Prepared by Radian Corporation for American Petroleum Institute, November 11, 1976, Docket A–2000–01, Document II–A–16.

TABLE 4.—ESTIMATED COST PER TON OF HC REDUCED WITH FUEL SAVINGS

Category	Source	Fuel saved (gallons)	Value of fuel savings (NPV)	Discounted cost per ton ($/ton)
Off-highway motorcycles	fuel tank	1.1	$0.96	$465
	fuel hose	13.4	11.45	(301)
Total		14.6	12.41	(242)
ATVs	fuel tank	2.2	1.64	292
	fuel hose	12.9	9.79	(323)
Total		15.1	11.43	(235)
Snowmobiles	fuel tank	3.4	2.82	326
	fuel hose	25.5	21.71	(287)
Total		28.8	24.57	(216)

Dated: April 25, 2002.

Elizabeth Craig,

Acting Assistant Administrator for Air and Radiation.

[FR Doc. 02–10730 Filed 4–30–02; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

42 CFR Part 414

[CMS–1084–WN]

RIN 0938–AK50

Medicare Program; Payment for Upgraded Durable Medical Equipment; Withdrawal

AGENCY: Centers for Medicare & Medicaid Services (CMS), HHS.

ACTION: Proposed rule; withdrawal.

SUMMARY: This document withdraws all provisions of the proposed rule pertaining to upgraded durable medical equipment (DME) that we published in the **Federal Register** on April 27, 2000. The proposed rule was based on a discretionary provision of the Balanced Budget Act (BBA) of 1997. We solicited comments on a methodology that would have permitted suppliers to charge Medicare beneficiaries more than the Medicare allowed payment amount for certain upgraded DME and bill the Medicare program on an assignment basis.

DATES: The proposed rule published on April 27, 2000 at 65 FR 24666 is withdrawn.

FOR FURTHER INFORMATION CONTACT: William Long, (410) 786–5655.

SUPPLEMENTARY INFORMATION:

I. Background

Historically, to bill DME claims under Medicare's assignment rules, suppliers were required to accept the Medicare allowed amount as payment-in-full. Under the proposed rule, Medicare payment would have been made to the supplier as if the DME were DME without the upgrade features. The beneficiary purchasing or renting the upgraded DME would pay the supplier an amount equal to the difference between the supplier's charge for the upgraded DME and the amount paid by Medicare for the DME without the upgraded features.

We are withdrawing this proposed rule because we recently implemented a process by which suppliers may bill on an assignment basis for upgraded DME. The supplier can now use Advance Beneficiary Notice (ABN), based on section 1879 of the Social Security Act (the Act), to inform beneficiaries they may be responsible for payment for items since the supplier expects Medicare payment for these items to be denied. Under the ABN process, the supplier would be permitted to bill on an assigned or unassigned basis for the item that would be covered by Medicare. The supplier would bill the beneficiary the difference between Medicare's allowed amount and the cost of the upgraded feature. The ABN nondiscretionary authority is broader than section 4551(c) of the BBA of 1997. Therefore, we are not implementing section 4551(c) of the BBA.

II. Regulatory Impact Statement

We have examined the impacts of this rule as required by Executive Order 12866 (September 1993, Regulatory Planning and Review) and the Regulatory Flexibility Act (RFA) (September 19, 1980 Pub. L. 96–354), section 1102(b) of the Social Security Act, the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4), and Executive Order 13132. Executive Order 12866 directs agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). A regulatory impact analysis (RIA) must be prepared for major rules with economically significant effects ($100 million or more in any 1 year).

The RFA requires agencies to analyze options for regulatory relief of small businesses. For purposes of the RFA, small entities include small businesses, nonprofit organizations and government agencies. Most hospitals and most other providers and suppliers are small entities, either by nonprofit status or by having revenues of $5 to $25 million in any 1 year. For purposes of the RFA, all suppliers of DME are considered to be small entities. Individuals and States are not included in the definition of a small entity.

In addition, section 1102(b) of the Act requires us to prepare a regulatory impact analysis if a rule may have a significant impact on the operations of a substantial number of small rural hospitals. This analysis must conform to the provisions of section 603 of the RFA. For purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital that is located outside of a Metropolitan Statistical Area and has fewer than 100 beds.

Section 202 of the Unfunded Mandates Reform Act of 1995 also requires that agencies assess anticipated costs and benefits before issuing any rule that may result in expenditure in any 1 year by State, local, or tribal governments, in the aggregate, or by the private sector, of $110 million.

This document withdraws all provisions of the proposed rule pertaining to upgraded durable medical equipment (DME) that we published in the **Federal Register** on April 27, 2000.