

Authority and Issuance

■ For the reasons set forth in the preamble, the Board is amending 12 CFR part 229 to read as follows:

PART 229—AVAILABILITY OF FUNDS AND COLLECTION OF CHECKS (REGULATION CC)

■ 1. The authority citation for part 229 continues to read as follows:

Authority: 12 U.S.C. 4001–4010, 12 U.S.C. 5001–5018.

■ 2. The Seventh District routing symbol list in appendix A is revised to read as follows:

Appendix A to Part 229—Routing Number Guide to Next-Day Availability Checks and Local Checks

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Seventh Federal Reserve District

[Federal Reserve Bank of Chicago]

Head Office

0710	2710
0711	2711
0712	2712
0719	2719
0730	2730
0739	2739
0750	2750
0759	2759
1040	3040
1041	3041
1049	3049

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By order of the Board of Governors of the Federal Reserve System, November 18, 2008.

Jennifer J. Johnson,*Secretary of the Board.*

[FR Doc. E8–27736 Filed 11–20–08; 8:45 am]

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DEPARTMENT OF TRANSPORTATION**Office of the Secretary****14 CFR Part 254**

RIN 2105–AD80

[Docket DOT–OST–2008–0332]

Domestic Baggage Liability

AGENCY: Department of Transportation (DOT), Office of the Secretary (OST).

ACTION: Final rule.

SUMMARY: In accordance with Department of Transportation regulations, this final rule raises the minimum limit on domestic baggage liability applicable to air carriers to reflect inflation since July 2006, the basis month of the most recent previous revision to the liability limit.

Regulations require that the Department of Transportation periodically revise the limit to reflect changes in the Consumer Price Index for All Urban Consumers. This revision adjusts the minimum limit of liability from the current amount of \$3,000 announced by the Department in January 2007 to \$3,300, to take into account the changes in consumer prices since the prior revision.

DATES: *Effective Date:* This rule is effective on December 22, 2008.

FOR FURTHER INFORMATION CONTACT: Tim Kelly, Aviation Consumer Protection Division, Office of the General Counsel, Department of Transportation, 1200 New Jersey Ave., SE., Washington, DC 20590, 202–366–5952 (voice), 202–366–5944 (fax), *tim.kelly@dot.gov* (e-mail).

SUPPLEMENTARY INFORMATION:**I. Revision of Liability Limit**

Part 254 of the Department's rules (14 CFR Part 254) establishes minimum baggage liability limits applicable to domestic air service. Section 254.6 of this rule calls for the Department to periodically review the minimum limit of liability prescribed in Part 254 in light of changes in the Consumer Price Index for All Urban Consumers (CPI–U) and to revise the limit of liability to reflect changes in that index as of July of each review year. Section 254.6 prescribes the use of a specific formula to calculate the revised minimum liability amount when making these periodic adjustments. Applying the formula to price index changes occurring between July 2006 and July 2008, the appropriate inflation adjustment is $\$2,500 \times 219.96/168.30$ [$\$2,500 \times 1.30695$], which yields \$3,267.38. (The base amount of \$2,500 in the formula was the minimum liability limit in Part 254 at the time that this biannual indexing provision was added to the rule, 219.96 is the CPI–U for July 2008, and 168.30 is the CPI–U for 1999.) Section 254.6 requires us to round the adjustment to the nearest \$100, or to \$3,300 in this case.

We are also making an editorial clarification to the text describing the “b” in the formula in section 254.6. This text says that the “b” value in the a/b calculation is to be the “most current CPI–U figure when final rule is issued.” The “final rule” referenced here is the 1999 rule that set the limit at \$2,500 and added this inflation adjustment procedure. The “b” number is therefore the CPI–U figure at the time the 1999 rule was issued. However, the language in note “b” may be subject to misinterpretation since this is a nine-year-old number (at the present time) and yet the text identifies “b” as the

“most current” CPI figure. The text does not specify clearly which final rule is being referred to—the 1999 rule that added the inflation adjustment procedure or the most recent inflation revision, although the preamble of the 1999 rule was clear with regard to intent and the two revisions since then applied the formula in line with that intent. Consequently, we are revising the text describing “b” to read “b = the CPI–U figure in December 1999 when the inflation adjustment provision was added to Part 254.” This is merely an editorial clarification and does not change the calculation of the liability limit.

II. Waiver of Rulemaking Procedural Requirements

With this final rule, we are waiving the usual notice of proposed rulemaking and public comment procedures set forth in the Administrative Procedure Act (APA) (5 U.S.C. 553). The APA allows agencies to dispense with such procedures on a finding of good cause when they are impracticable, unnecessary or contrary to the public interest. We have determined that under 5 U.S.C. 553 (b)(3)(B) good cause exists for dispensing with the notice of proposed rulemaking and public comment procedures for this rule. This rulemaking is required by the terms of 14 CFR 254.6, as most recently amended in December 1999 (64 FR 70575, December 17, 1999) and is simply a ministerial inflation update based on a formula. In addition, the editorial revision noted above involves no substantive change. Accordingly, we find that prior notice and comment are unnecessary and contrary to the public interest, and we are issuing these revisions as a final rule.

Although this final rule will become effective on December 22, 2008, in order to avoid imposing an undue burden, the Department will defer enforcement of the notice provision in the rule (section 254.5) as it pertains to printed notices about the new limit for a reasonable time period to allow carriers to replace or update their current paper ticket stock and ticket jackets or inserts. Electronic notices about the minimum domestic liability limit, including notices that are printed “on demand” from an electronic source (e.g., Web sites, e-mail messages, and airport kiosks) should be updated no later than the effective date of this final rule. Carriers are subject to enforcement action from the effective date of this final rule if they fail to provide notice of the new minimum liability limit in the manner described above, or if they fail to apply the new limit.

III. Regulatory Impact Statement

Executive Order 12866

This final rule has been evaluated in accordance with existing policies and procedures and is considered not significant under both Executive Order 12866 and DOT's Regulatory Policies and Procedures. The rule has not been reviewed by the Office of Management and Budget (OMB) under Executive Order 12866. The provisions are required by current regulatory language, without interpretation.

Regulatory Flexibility Act

The Regulatory Flexibility Act of 1980 (5 U.S.C. 601–612) requires an assessment of the impact of proposed and final rules on small entities unless the agency certifies that the proposed regulation will not have a significant economic impact on a substantial number of small entities. This revision of 14 CFR Part 254 provides for a periodic inflation adjustment to the amount of the minimum limit on baggage liability that air carriers may incur in cases of mishandled baggage. It will pose minor additional costs only in those instances in which carriers lose, damage or delay baggage and where the amount of the passenger's claim in those instances exceeds the old minimum liability limit of \$3,000. The maximum potential impact in those instances is \$300 on each such claim. Reports filed each month with the Department by airlines that each account for at least one percent of total domestic scheduled-service passenger revenues show that, at the present time, less than five percent of all domestic passengers experience a mishandled bag. That percentage has been trending downward throughout this year, possibly as a result of fees for checked bags imposed by many airlines beginning this year. Most of the instances of mishandled baggage represented in the reports to DOT do not result in a claim in an amount that is affected by the liability limit in this rule. In addition, this revision affects only flight segments operated with large aircraft and other flight segments appearing on the same ticket as a large-aircraft segment. As a result, many operations of small entities, such as air taxis and many commuter air carriers, are not covered by the rule. Moreover, any additional costs for small entities associated with the rule should be minimal and may be covered by insurance. Accordingly, we certify that this action will not have a significant economic impact on a substantial number of small entities.

Paperwork Reduction Act

This final rule imposes no new reporting or recordkeeping requirements necessitating clearance by OMB.

List of Subjects in 14 CFR Part 254

Air carriers, Administrative practice and procedure, Consumer Protection, Department of Transportation.

■ Accordingly, the Department of Transportation amends 14 CFR part 254 as follows:

PART 254—DOMESTIC BAGGAGE LIABILITY

■ 1. The authority citation for part 254 continues to read as follows:

Authority: 49 U.S.C. 40113, 41501, 41504, 41510, 41702 and 41707.

§ 254.4 [Amended]

■ 2. Section 254.4 is amended by removing “\$3,000” and adding “\$3,300” in its place.

§ 254.5 [Amended]

■ 3. Section 254.5(b) is amended by removing “\$3,000” and adding “\$3,300” in its place.

■ 4. Section 254.6 is amended by revising the last sentence in the formula to read as follows:

§ 254.6 Periodic adjustments.

* * * * *

b = the CPI-U figure in December 1999 when the inflation adjustment provision was added to Part 254.

Issued in Washington, DC on November 14, 2008.

Michael W. Reynolds,

Acting Assistant Secretary for Aviation and International Affairs.

[FR Doc. E8–27772 Filed 11–20–08; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Office of the Secretary

14 CFR Part 383

[Docket No. DOT–OST–2008–0333]

RIN 2105–AD77

Civil Penalties

AGENCY: Department of Transportation (DOT), Office of the Secretary (OST).

ACTION: Final rule.

SUMMARY: This rule raises the maximum civil penalties that can be assessed as a result of DOT aviation enforcement actions for violations of certain economic provisions of U.S.C. Title 49. This inflation adjustment is required by

the Federal Civil Penalties Inflation Adjustment Act of 1990 and the Debt Collection Improvement Act of 1996.

DATES: *Effective Date:* This rule is effective December 22, 2008.

FOR FURTHER INFORMATION CONTACT:

Nicholas Lowry, Senior Attorney, Office of Aviation Enforcement and Proceedings (C–70), Department of Transportation, 1200 New Jersey Ave., SE., Washington, DC 20590, (202) 366–9349.

SUPPLEMENTARY INFORMATION:

The Federal Civil Penalties Inflation Adjustment Act of 1990 (Pub. L. 101–410) provides a detailed formula on how federal monetary civil penalties should be adjusted for inflation. The Debt Collection Improvement Act of 1996 (Pub. L. 104–134, sec. 31001) requires each agency to adjust monetary civil penalties within its jurisdiction at least once every four years. The adjustment is based on changes to the Consumer Price Index All Urban Consumers (CPI-U) of the prior year. The 1996 Act further provides that if an inflation adjustment has never been applied to a civil monetary penalty amount, the first increase to the maximum penalty cannot be more than ten percent of the original amount.

The civil penalty amounts at issue here, relating to certain violations of aviation economic regulations and statutes, were last set by Vision 100—Century of Aviation Reauthorization Act (Pub. L. 108–176; 117 Stat. 2490, December 12, 2003). This final rule updates some (but not all) of the civil penalties based on the increase in the CPI-U from June 2003 to June 2007 (an inflation factor of 1.13) to the civil penalties of the Vision 100—Century of Aviation Reauthorization Act (Pub. L. 108–176; 117 Stat. 2490, December 12, 2003). As a result, the current general penalty amount is raised from \$25,000 to \$27,500.

The current \$1,100 general civil penalty for small businesses and individuals is not changed, however, because the 1990 Act provides that if the current unadjusted penalty is greater than \$1,000 and less than or equal to \$10,000, the penalty increase should be rounded to the nearest multiple of \$1,000.

14 CFR Part 383 currently allows small businesses and individuals to be assessed higher penalties for particular specific aviation law provision. Because of the rounding provisions of the Federal Civil Penalties Inflation Adjustment Act of 1990, only two of those three maximum penalties applicable to small businesses and individuals are being changed by this