PART 81—[AMENDED]

■ 1. The authority citation for Part 81 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

■ 2. In § 81.305, the California Ozone (1–Hour Standard) table is amended by revising the entry for the San Diego area to read as follows:

§ 81.305 California.

* * * * *

CALIFORNIA—OZONE (1.–HOUR STANDARD)

Designated area	Designation		Classification	
	Date[1]	Type	Date[1]	Type
* * *	*	*	*	*
San Diego Area: San Diego County	7/28/03		Attainment	
* * *	*	*	*	*

[1] This date is November 15, 1990, unless otherwise noted.

* * * * *

[FR Doc. 03–16029 Filed 6–25–03; 8:45 am]
BILLING CODE 6560–50–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

45 CFR Part 303

RIN 0970–AC09

Child Support Enforcement Program; Federal Tax Refund Offset

AGENCY: Office of Child Support Enforcement (OCSE), Health and Human Services (HHS).

ACTION: Interim final rule with comment period.

SUMMARY: This interim final rule revises existing regulations on collecting child support arrears through the Federal Tax Refund Offset process. The revisions are needed to reflect changes in OCSE's data processing protocols with the Department of the Treasury. We are also taking this opportunity to update the regulation to reflect current business practices and requests from State Child Support Enforcement agencies.

DATES: These regulations are effective June 26, 2003. Consideration will be given to comments received by August 25, 2003.

ADDRESSES: Send comments to: Office of Child Support Enforcement, Administration for Children and Families, 370 L'Enfant Promenade, SW., 4th floor, Washington, DC 20447. Attention: Director, Division of Policy, Mail Stop: OCSE/DP. Comments will be available for public inspection Monday through Friday 8:30 a.m. to 5 p.m. on the 4th floor of the Department's offices at the above address. You may also transmit written comments electronically via the Internet at: *http://www.acf.hhs.gov/hypernews/.* To download an electronic version of the rule, you may access the Office of Child Support Enforcement Policy page at: *http://www.acf.hhs.gov/programs/cse/csepol_r.htm.*

FOR FURTHER INFORMATION CONTACT: Eileen Brooks, Division of Policy, OCSE, 202–401–5369, e-mail: *ebrooks@acf.hhs.gov.* Deaf and hearing-impaired individuals may call the Federal Dual Party Relay Service at 1–800–877–8339 between 8 a.m. and 7 p.m. eastern time.

SUPPLEMENTARY INFORMATION:

Statutory Authority

This regulation is issued under the authority granted to the Secretary of Health and Human Services (the Secretary) by section 1102 of the Social Security Act (the Act), 42 U.S.C. 1302. Section 1102 of the Act authorizes the Secretary to publish regulations that may be necessary for the efficient administration of the functions for which he is responsible under the Act.

Justification for Interim Final Rule

The Administrative Procedure Act requirements for notice of proposed rulemaking do not apply to rules when the agency finds that notice is impracticable, unnecessary or contrary to the public interest. We find proposed rulemaking unnecessary because the rule is not imposing new requirements or burdens on States, but is removing administrative requirements and burdens, principally the requirement that the support be 3 months delinquent before the debt is referred for Federal tax refund offset. The rule also removes the requirement to submit written notices, which requires the States to transmit a separate paper response or to submit referrals by magnetic tape. Under the new procedures, notices and referrals will be sent electronically which is much simpler for the States. Finally, the rule incorporates several policies which are already in effect and, therefore, advance notice and comment is unnecessary. The policies are being included in the regulations in order to have all the information pertaining to the submission of Federal tax refund offset cases in one place.

Background

The Federal Tax Refund Offset program collects past-due child support payments from the Federal tax refunds of parents who have been ordered to pay child support. The program is a collaborative effort between OCSE, the Internal Revenue Service, the Financial Management Service of the Department of the Treasury and State Child Support Enforcement agencies.

The Federal Tax Refund Offset program was enacted by Congress in 1981 and was originally restricted to child support debts owed in public assistance cases. It was expanded in 1984 to include child support debts in non-assistance cases. Federal Tax Refund Offset is a mandatory child support enforcement tool and must be used if a case meets the criteria found at 45 CFR 303.72. Essentially, in order for the Federal Tax Refund Offset remedy to be applied, the amount of unpaid child support (arrears) must meet a minimum threshold: $150 if the custodial parent is receiving services under title IV–A of the Act (assigned arrears) or $500 if services are provided in a non-assistance case under title IV–D (unassigned arrears). After ensuring that the case information is current, the State IV–D agency notifies OCSE which reviews the request. If it qualifies, OCSE forwards the request to the Treasury to offset any Federal tax refund due to the noncustodial parent. The noncustodial parent is notified at the time the case is initially submitted by the State to OCSE

that the past-due support will be reported to the Treasury for tax refund offset. When the offset is made, the Treasury notifies the noncustodial parent that it has occurred. Included in the process are opportunities for the noncustodial parent to contest and provisions for administrative review and notification of the noncustodial parent's spouse in cases of joint tax refunds.

Several years ago, OCSE formed a regulation workgroup to exchange views, information, and advice on existing regulations in order to eliminate or revise outdated, unduly burdensome, or unproductive regulations. This group was made up of representatives of Federal, State and local government staff and officials. The workgroup conducted its review which resulted in a final rule issued December 20, 1996 (61 FR 67235) which made both substantive and technical changes. However, not all of the workgroup's recommendations were included at that time, owing to the unknown nature of changes that might result from welfare reform proposals then circulating. Some of the changes in this rule result from those initial workgroup discussions and consultations, as well as from suggestions from a tax refund offset workgroup of Federal and State staff under the auspices of OCSE's Office of Automation and Program Operations.

Provisions of the Regulation

We are amending § 303.72(a)(2) to remove the requirement that support be at least 3 months delinquent in a case involving a recipient of title IV–A services before a State refers the case for Federal Tax Refund offset. There is no such requirement for non-title-IV–A cases. In our consultations, States requested the elimination of the 3-month delinquency rule, maintaining that it is difficult to track delinquencies in this way. For instance, how should the State count a month in which a token payment is received? Should a small payment toward the ordered amount of support allow a non-custodial parent to avoid offset for another 3-month period? There also has been confusion among the States about how the 3-month period should be computed. Under current procedures, pre-offset notices are sent to the obligor either by the State or, if the State requests it, by OCSE. The State tells OCSE how long to hold its cases (30, 45, 60, or 90 days) before forwarding them to the Treasury, so that the combination of State hold and OCSE hold will meet the 90-day delinquency requirement. OCSE agrees with the States that Treasury's regulatory requirement for a 30-day hold period beginning with the date of the pre-offset notice to the obligor is sufficient to ensure opportunity for appeal and that the additional 90-day delinquency period required by OCSE regulations before sending the case to Treasury is unnecessary and causes delay in the collection of support.

We have retained the requirement that the total amount of arrears assigned to the State in a Tax Refund Offset case must be a minimum of $150. We have added a clarification at the redesignated provision at § 303.72(a)(2) that States may combine assigned support arrears together to reach the $150 threshold in those instances where an obligor has more than one title IV–A case. We have added a parallel clarification on unassigned arrears at § 303.72(a)(3)(ii). However, different types of arrears (*i.e.*, assigned arrears and unassigned arrears) may not be combined to reach the thresholds of $150 for assigned arrears or $500 for unassigned arrears for Federal Tax Refund Offset. Paragraph (a)(3)(ii) now reads: '' The amount of support is not less than $500. The State may combine support amounts from the same obligor in multiple cases where the IV–D agency is providing IV–D services under § 302.33 of this chapter to reach $500. Amounts under this paragraph may not be combined with amounts under paragraph (a)(2) to reach the minimum amounts required under this paragraph or under paragraph (a)(2).'' These clarifications incorporate in regulation the policy already articulated in OCSE's policy interpretation question, PIQ–01–06, published July 9, 2001.

The regulation at § 303.72(b)(1) requires States to notify OCSE of a liability for past-due support by means of magnetic tape. We are amending this provision to reflect the fact that notification to OCSE is no longer done by magnetic tape. Hence the phrase ''on a magnetic tape'' is changed to the more general ''in the manner specified by the Office in instructions'' to allow for changing technology. Section 303.72(b)(2) lists specific information that must be included in the notification of liability for past-due support that the IV–D agency sends to OCSE regarding each delinquency submitted for offset. We are amending paragraph (b)(2) by adding ''to the extent specified by the Office in instructions'' before the list to allow OCSE to easily remove current requirements if they become unnecessary. Section 303.72(b)(3) permits the IV–D agency to add in its submittal the taxpayer's IV–D case number and FIPS code for the local IV–D agency where the case originated. We are amending the language to eliminate the specific types of identifiers permitted, so that States who wish to submit this optional item can submit the IV–D identifier of their choice. The information submitted is passed back to the States for their own use after Federal processing is complete.

Provisions at § 303.72(c)(2) and (4) and (g)(4) are amended to delete the requirement that notifications to States by OCSE are ''in writing'' or that ''written'' explanations from the IV–D agency are returned to OCSE, as the transmission of administrative review results is now done electronically.

Similarly, in § 303.72(d)(2) and (f)(3), the requirement for State IV–D agencies to inform OCSE ''in writing'' of changes in case status or the amount referred for collection is deleted. In addition, we are amending these sections to recognize that the amount to be offset may increase as well as decrease after the submittal, due to the transition from annual updates to a continuous data processing schedule. In both these sections, and at § 303.72(g)(4), where an administrative review may lead to an increase rather than a reduction in the amount due, the regulation is amended by replacing the word ''decrease'' with the word ''change''.

Paragraph (g) sets forth procedures for contesting an offset in interstate cases. The existing regulation at paragraph (g)(4) calls for the State having the order to report any change in the amount of past-due support to OCSE. This is in conflict with the overall goal that only one State be the submitting State for purposes of Tax Refund Offset. The submitting State controls every aspect of the submission. State officials have informed us that they prefer that any updates based on administrative review be conveyed to OCSE by the submitting State. Thus, we are amending § 303.72(g)(4) to require that changes based on administrative review in interstate cases be reported to the submitting State and that the submitting State in turn notifies OCSE.

We made a technical conforming change to update the reference at § 303.72(g)(8) to reflect the current regulatory citation for the State performance measure on collections of arrears.

The requirements at § 303.72(h)(6) are amended to clarify that collections from offset may only be applied to cases that were being enforced by the IV–D agency at the time the advance notice described in paragraph (e)(1) of this section was sent. Paragraph (h)(6) had provided that collections from offset could be applied only against the past-due support amount that was specified in the

advance notice to the obligor. Because cases are now certified on an ongoing basis—rather than once a year—that requirement is no longer appropriate. Collections should be applied against the balance certified as of the date of offset. That amount may vary up and down throughout the year as arrears change and States send in updated information. The current model pre-offset letter makes it clear to the obligor that the arrears balance may fluctuate up and down and that the debt will be offset at the amount which is certified as of the date of offset, not necessarily the amount shown in the notice. As noted earlier, a notice of offset is sent by the Treasury at the time of the offset, giving the exact amount offset and a contact at the State child support office for questions. This notice is required by Treasury regulations. However, if a new case is established, the IV–D agency must send an advance notice to the obligor before referring the associated debt for offset.

Paperwork Reduction Act of 1995

No new information collection requirements are imposed by these regulations, nor are any existing requirements changed as a result of their promulgation. Therefore, the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)), regarding reporting and record keeping, do not apply.

Regulatory Flexibility Analysis

The Secretary certifies, under 5 U.S.C. 605(b), as enacted by the Regulatory Flexibility Act (Pub. L. 96–354), that this rule will not result in a significant impact on a substantial number of small entities. The primary impact is on State governments. State governments are not considered small entities under the Act.

Regulatory Impact Analysis

Executive Order 12866 requires that regulations be reviewed to ensure that they are consistent with the priorities and principles set forth in the Executive Order. The Department has determined that this rule is consistent with these priorities and principles.

Unfunded Mandates Reform Act of 1995

Section 202 of the Unfunded Mandates Reform Act of 1995 requires that a covered agency prepare a budgetary impact statement before promulgating a rule that includes any Federal mandate that may result in the expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector, of $100 million or more in any one year.

The Department has determined that this rule would not impose a mandate that will result in the expenditure by State, local, and Tribal governments, in the aggregate, or by the private sector, of more than $100 million in any one year.

Congressional Review

This regulation is not a major rule as defined in 5 U.S.C. chapter 8.

Assessment of Federal Regulations and Policies on Families

Section 654 of the Treasury and General Government Appropriations Act of 1999 requires Federal agencies to determine whether a proposed policy or regulations may affect family well being. If the agency's determination is affirmative, then the agency must prepare an impact assessment addressing seven criteria specified in the law. These regulations will not have an impact on family well being as defined in the legislation.

Executive Order 13132

Executive Order 13132 on Federalism applies to policies that have Federalism implications, defined as ''regulations, legislative comments or proposed legislation, and other policy statements or actions that have substantial direct effects on the States, or on the distributions of power and responsibilities among the various levels of government''.

This rule does not have Federalism implications for State or local governments as defined in the Executive Order.

List of Subjects in 45 CFR Part 303

Child support, Grant programs-social programs.

(Catalog of Federal Domestic Assistance Programs No. 93.563, Child Support Enforcement Program)

Dated: January 9, 2003.

Wade F. Horn,

Assistant Secretary for Children and Families.

Date Approved: May 30, 2003.

Tommy G. Thompson,

Secretary of Health and Human Services.

■ For the reasons discussed above, title 45 CFR chapter III is amended as follows:

PART 303—STANDARDS FOR PROGRAM OPERATIONS

■ 1. The authority citation for part 303 continues to read as follows:

Authority: 42 U.S.C. 651 through 658, 660, 663, 664, 666, 667, 1302, 1396a(a)(25), 1396(b)(d)(2), 1396b(o), 1396b(p) and 1396(k).

■ 2. Amend § 303.72 by revising paragraphs (a)(2), (a)(3)(ii), (b)(1), (b)(2) introductory text, and (b)(3), (c)(2), (c)(4), (d)(2), (g)(4), (g)(8) and (h)(6) to read as follows:

§ 303.72 Requests for collection of past-due support by Federal tax refund offset.

(a) * * *

(2) For support that has been assigned to the State under section 408(a)(3) of the Act or section 471(a)(17) of the Act, the amount of the support is not less than $150. The State may combine assigned support amounts from the same obligor in multiple cases to reach $150. Amounts under this paragraph may not be combined with amounts under paragraph (a)(3) of this section to reach the minimum amounts required under this paragraph or under paragraph (a)(3) of this section.

(3) * * *

(ii) The amount of support is not less than $500. The State may combine support amounts from the same obligor in multiple cases where the IV–D agency is providing IV–D services under § 302.33 of this chapter to reach $500. Amounts under this paragraph may not be combined with amounts under paragraph (a)(2) of this section to reach the minimum amounts required under this paragraph or under paragraph (a)(2) of this section.

(b) Notification to OCSE of liability for past-due support. (1) A State IV–D agency shall submit a notification or (notifications) of liability for past-due support to the Office according to the timeframes and in the manner specified by the Office in instructions.

(2) To the extent specified by the Office in instructions, the notification of liability for past-due support shall contain with respect to each:

* * * * *

(3) The notification of liability for past-due support may contain with respect to each delinquency the taxpayer's IV–D identifier.

* * * * *

(c) * * *

(2) If a request meets all requirements, the Deputy Director will transmit the request to the Secretary of the Treasury and will notify the State IV–D agency of the transmittal.

* * * * *

(4) If a request cannot be corrected through consultation, the Deputy Director will return it to the State IV–D agency with an explanation of why the request could not be transmitted to the Secretary of the Treasury.

(d) * * *

(2) The State IV–D agency shall within time frames established by the Office in instructions, notify the Deputy Director of any deletion of an amount

referred for collection by Federal tax offset or any decrease in the amount if the decrease is significant according to the guidelines developed by the State. The notification shall contain the information specified in paragraph (b) of this section.

* * * * *

(f) * * *

(3) If the administrative review results in a deletion of, or decrease in, the amount referred for offset, the IV–D agency must notify OCSE within time frames established by the Office and include the information specified in paragraph (b) of this section.

* * * * *

(g) * * *

(4) If the administrative review results in a deletion of, or change in, the amount referred for offset, the State with the order must notify the submitting State within time frames established by the Office and include the information specified in paragraph (b) of this section. The submitting State must then notify the Office within timeframes established by the Office and include the information specified in paragraph (b) of this section.

* * * * *

(8) In computing the arrearage collection performance level under § 305.2(a)(4) of this chapter, if the case is referred to the State with the order for an administrative review, the collections made as a result of Federal tax refund offset will be treated as having been collected in full by both the submitting State and the State with the order.

* * * * *

(h) * * *

(6) Collections from offset may be applied only to cases that were being enforced by the IV–D agency at the time the advance notice described in paragraph (e)(1) of this section was sent.

[FR Doc. 03–14883 Filed 6–25–03; 8:45 am]

BILLING CODE 4184–01–P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

49 CFR Part 571

[Docket No. NHTSA–02–13678]

RIN 2127–AI32

Tire Safety Information

AGENCY: National Highway Traffic Safety Administration (NHTSA), Department of Transportation.

ACTION: Final rule, correcting amendments.

SUMMARY: This document contains corrections to the final rule published on November 18, 2002 (67 FR 69600), that established a new safety standard to improve the information readily available to consumers regarding tires.

DATES: The effective date of this final rule is September 1, 2004. Voluntary compliance is permitted before that date. If you wish to submit a petition for reconsideration of this rule, your petition must be received by August 11, 2003.

FOR FURTHER INFORMATION CONTACT: For technical and policy issues: Ms. Mary Versailles, Office of Planning and Consumer Standards. Telephone: (202) 366–2750. Fax: (202) 493–2290. Mr. Joseph Scott, Office of Crash Avoidance Standards. Telephone: (202) 366–2720. Fax: (202) 366–4329.

For legal issues: Nancy Bell, Attorney Advisor, Office of the Chief Counsel, NCC–112. Telephone: (202) 366–2992. Fax: (202) 366–3820.

All of these persons may be reached at the following address: National Highway Traffic Safety Administration, 400 Seventh Street, SW., Washington, DC 20590.

SUPPLEMENTARY INFORMATION:

Background

The standards that are the subject of these corrections are FMVSS No. 109, New pneumatic tires, FMVSS No. 110, Tire selection and rims for motor vehicles with a gross vehicle weight rating (GVWR) of 4,536 kilograms (10,000 pounds) or less, and FMVSS No. 120, Tire selection and rims for motor vehicles with a GVWR or more than 4,536 kilograms (10,000 pounds). A final rule amending these standards was published in response to the Transportation Recall Enhancement, Accountability, and Documentation (TREAD) Act of 2000 on November 18, 2002 (67 FR 69600). The final rule also established a new Federal Motor Vehicle Safety Standard, FMVSS No. 139, New pneumatic tires for light vehicles. The final rule applies to all new and retreaded tires for use on vehicles with a gross vehicle weight rating (GVWR) of 10,000 pounds or less and to all vehicles with a GVWR of 10,000 pounds or less, except for motorcycles and low speed vehicles. The final rule requires improved labeling of tires to assist consumers in identifying tires that may be the subject of a safety recall. It also requires tire and vehicle manufacturers to provide other consumer information to increase public awareness of the importance and methods of observing motor vehicle tire load limits and maintaining proper tire inflation levels for the safe operation of a motor vehicle.

On June 5, 2003, NHTSA published in the **Federal Register** (68 FR 33655) a final rule; response in part to petitions for reconsideration which delayed the effective date of the final rule published on November 18, 2002 to September 1, 2004.

Need for Correction

As published, the November 2002 final rule contained errors that need correction. The November 2002 final rule amended the title and application paragraph of FMVSS No. 110 to make it, in its entirety, applicable to all light vehicles. This document corrects the requirement paragraphs so passenger cars must meet the standard in its entirety, while light vehicles other than passenger cars need only meet the labeling requirements.

The November 2002 final rule also amended the title and application paragraphs of FMVSS No. 120 to make it, in its entirety, applicable to all heavy vehicles. This document amends the title and application paragraph so they read the same as they did before that final rule, referring to all vehicles other than passenger cars, regardless of GVWR. Thus, as before that final rule, all vehicles other than passenger cars must meet the standard's performance requirements. The document also amends the FMVSS No. 120 requirement paragraphs so all heavy vehicles other than passenger cars must meet the labeling requirements contained therein.

The tire performance requirements, and their applicability, are addressed in the final rule on tire performance upgrade that is published elsewhere in this issue of the **Federal Register**. A notice of proposed rulemaking on tire performance upgrade was published on March 5, 2002, at 67 FR 10050.

A March 13, 2003, meeting with General Motors (GM) and a subsequent GM submission to the docket dated March 21, 2003, brought to the agency's attention that regulatory text of the November 2002 final rule, contained in paragraph S2, ''Application'' of FMVSS No. 110 and paragraph S3, ''Application'' of FMVSS No. 120, indicated that the entirety of these standards, not only the labeling provisions, would be applicable to all vehicles 10,000 pounds or less GVWR as of the effective date of that final rule. In other words, it indicated that the performance aspects of FMVSS No. 110, formerly applicable only to passenger