Note 4: Parts 1 and 2 of the Work Instructions of Boeing Alert Service Bulletin 727–55A0090, Revision 1, refer to Figures 4 and 5 of that service bulletin as follow-on corrective actions for certain conditions. Figures 4 and 5 of that service bulletin specify accomplishment of Parts 3 and 4, respectively, of the Work Instructions of that service bulletin.

Follow-On Corrective Actions: Corrosion

(d) If any corrosion of a hinge pin is found during an inspection per paragraph (a) or (b) of this AD: Do paragraph (d)(1) or (d)(2) of this AD, as applicable.

(1) If corrosion is found on the inner hinge pin only: Before further flight, do all actions in Part 3 of the Work Instructions of Boeing Alert Service Bulletin 727–55A0090, Revision 1, dated September 20, 2001, per paragraph (e) of this AD.

(2) If corrosion is found on the outer hinge pin: Before further flight, do all actions in Part 4 of the Work Instructions of Boeing Alert Service Bulletin 727–55A0090, Revision 1, dated September 20, 2001, per paragraph (e) of this AD.

Optional Inspections

(e) Accomplishment of detailed visual and magnetic particle inspections for corrosion or cracking including all associated actions (such as removal of outer, inner, or outer AND inner hinge pins, as applicable, and application of corrosion preventative compound or grease), per Part 3 or 4, as applicable, of the Work Instructions of Boeing Alert Service Bulletin 727–55A0090, Revision 1, dated September 20, 2001; AND accomplishment of applicable follow-on actions per paragraphs (e)(1) and (e)(2) of this AD, as applicable; terminates the repetitive inspections required by paragraph (b) of this AD.

(1) If any corrosion or cracking is found, replace the outer, inner, or outer AND inner hinge pins, as applicable, with new or serviceable pins, per Boeing Alert Service Bulletin 727–55A0090, Revision 1, EXCEPT, where the service bulletin specifies to contact Boeing for appropriate action, before further flight, repair per a method approved by the Manager, Seattle Aircraft Certification Office (ACO), FAA; or per data meeting the type certification basis of the airplane approved by a Boeing Company Designated Engineering Representative who has been authorized by the Manager, Seattle ACO, to make such findings. For a repair method to be approved by the Manager, Seattle ACO, as required by this paragraph, the Manager's approval letter must specifically reference this AD. And,

(2) Repeat the inspections in Part 3 or 4 of the service bulletin, as applicable, at the applicable time specified in the ''REPEAT INSPECTIONS'' column of the table under paragraph 1.E. ''Compliance'' of Boeing Alert Service Bulletin 727–55A0090, Revision 1.

Alternative Methods of Compliance

(f) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Seattle ACO. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Seattle ACO.

Note 5: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Seattle ACO.

Special Flight Permits

(g) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

Incorporation by Reference

(h) Except as provided by paragraph (e)(1) of this AD, the actions shall be done in accordance with Boeing Alert Service Bulletin 727–55A0090, Revision 1, dated September 20, 2001. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from Boeing Commercial Airplane Group, P.O. Box 3707, Seattle, Washington 98124–2207. Copies may be inspected at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

Effective Date

(i) This amendment becomes effective on November 15, 2001.

Issued in Renton, Washington, on October 24, 2001.

Ali Bahrami,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 01–27214 Filed 10–30–01; 8:45 am]

BILLING CODE 4910–13–U

CONSUMER PRODUCT SAFETY COMMISSION

16 CFR Part 1115

Substantial Product Hazard Reports

AGENCY: Consumer Product Safety Commission.

ACTION: Final amendment to interpretative rule.

SUMMARY: Section 15(b) of the Consumer Product Safety Act, requires manufacturers, distributors, and retailers of consumer products to report possible substantial product hazards to the Commission. The Consumer Product Safety Commission publishes a final amendment to its interpretative rule advising manufacturers, distributors, and retailers how to comply with the requirements of section 15(b). The amendment points out that firms that obtain information concerning products manufactured or sold outside of the United States that may be relevant to the existence of potential defects and hazards associated with products distributed within the United States should evaluate that information and, if necessary, report under section 15(b).

EFFECTIVE DATE: This revision is effective November 30, 2001.

FOR FURTHER INFORMATION CONTACT: Marc Schoem, Director, Division of Recalls and Compliance, Consumer Product Safety Commission, Washington. D.C. 20207, telephone—(301) 504–0608, ext. 1365, fax.—(301) 504–0359, E-mail address—*mschoem@cpsc.gov.*

SUPPLEMENTARY INFORMATION: Section 15(b) of the Consumer Product Safety Act (CPSA), 15 U.S.C. 2064(b) requires manufacturers, distributors, and retailers of consumer products to report possible ''substantial product hazards'' to the Commission. In 1978, the Commission published in the **Federal Register** ''Substantial Product Hazard Reports'', 16 CFR 1115, an interpretative rule that set forth the Commission's understanding of this requirement and established procedures for filing such reports and proffering remedial action to the Commission. That rule addresses the types of information a firm should evaluate in considering whether to report. It does not, however, specifically address information about experience with products manufactured or sold outside of the United States. The Commission has always expected that firms would report when they obtained reportable information, no matter where that information comes from. Neither the statute, nor the rule itself, suggests otherwise.

Over the past several years, the Commission has received reports under section 15(b) that included information on experience with products abroad and technical data concerning such products. When appropriate, the Commission has initiated recalls based in whole or in part on that experience. In addition, the Bridgestone/Firestone tire recall of 2000 focused public attention on the possible relevance of information generated abroad to safety issues in the United States. Accordingly, to assure that firms who obtain information generated abroad are aware that they should consider such information in deciding whether to report under section 15(b), on January 3, 2001, the Commission solicited comments in the **Federal Register** on a proposed policy statement. The statement set forth the Commission's position that firms should evaluate and, if appropriate, report to the Commission information concerning products

manufactured or sold outside of the United States that may be relevant to defects and hazards associated with products distributed within the United States

On June 7, 2001, after considering the comments, the Commission published in the **Federal Register** a final policy statement memorializing this position. Simultaneously, the Commission proposed for comment an amendment to codify this policy guidance as part of the Substantial Product Hazard Reports interpretative rule, 16 CFR 1115. The proposed amendment notes in substance that information about product experience, performance, design or manufacture outside the United States may be relevant to products sold or distributed in the United States. It further notes that firms should study and evaluate such information under section 15(b).

Discussion: The Commission received four comments in response to the proposed amendment. One of these commentors, the CPSC Coalition of the National Association of Manufacturers (''NAM''), resubmitted comments that it had presented in response to the Commission's January proposed policy statement. NAM's resubmission contended that the Commission's response to its comments to that proposal did not take the Coalition's concerns into account. However, NAM did not point to any specific inadequacy in the Commission's response, nor did it otherwise elaborate on its contention. The Commission, on the other hand, believes that its response to the NAM comments in the June 7 **Federal Register** notice was more than adequate. The NAM comments largely voiced the same hypothetical concerns that commentors on the original 1977 proposed interpretative rule on reporting raised. As the June 7 **Federal Register** notice points out, the Commission addressed the substance of those comments in the preamble to and text of the final rule in 1978. 43 FR 34988. The Commission believes, therefore, that the NAM comments require no further response.

a. Imputing Knowledge: The three commentors other than NAM expressed concern that the proposed amendment treated information generated abroad in the same manner that the Commission views domestically obtained data. In the commentors' view, the amendment should have, but did not, take into account differences in data-gathering capabilities abroad from those within the United States, as well as perceptions of the significance of data that becomes available. The commentors requested that the final rule or its preamble recognize these differences. These commentors also noted that U.S. subsidiaries of foreign companies are often not in a position to require corporate parents to collect and/or forward safety-related information to those subsidiaries. They further indicated that U.S. subsidiaries will not necessarily be aware of, or be able to obtain, information that other independent subsidiaries of a common foreign parent acquire. Again, the commentors suggested that the Commission recognize in the final rule or its preamble these possible impediments to the acquisition of information.

The issue of obtaining and evaluating information from abroad is pertinent to two aspects of reporting—timely reporting and corrective action. With respect to the first aspect—failing to report in a timely manner or not at all, the Commission believes that the commentors may have misconstrued the intent and scope of the proposed amendment. The Commission recognizes that a number of factors may affect the ability of a firm located in the United States to obtain information from abroad, including limitations on the availability of and access to information. The Commission also appreciates that the nature of corporate business relationships and affiliations may impact the ability of a firm to obtain such information. The Commission further understands that training, experience, and corporate position, and differences in product design, use and operating environment from standard practices in the United States may affect the ability of recipients abroad to appreciate the significance of information that may relate to products to be sold in the United States.

As commentors acknowledged in their written comments and in discussions with the Commission staff, the evaluation of compliance with the reporting obligations requires a case-by-case assessment of relevant facts, including those relating to the considerations identified above. The Consumer Product Safety Act provides the standard for this evaluation. In the context of reporting, section 20, 15 U.S.C. 2069, only permits the assessment of civil penalties against a party who ''knowingly'' commits a prohibited act by failing to furnish information required by section 15(b). Section 20(d) of the act defines ''knowingly'' as ''* * *'' (2) the presumed having of knowledge deemed to be possessed by a reasonable man who acts in the circumstances, including knowledge obtainable upon the exercise of due care to ascertain the truth of representations.''

The existing interpretative rule also provides guidance, consistent with section 20, on how the Commission will analyze the facts of each case. In its discussion of the imputation of knowledge to a firm, 16 CFR 1115.11 notes that ''the Commission will deem a subject firm to know what a reasonable person acting in the circumstances in which the firm finds itself would know.'' The section goes on to explain that this imputation extends to knowledge that a firm could have obtained, had it exercised due care to ascertain the truth of complaints or other representations or conducted a reasonably expeditious investigation to evaluate the reportability of a death, grievous bodily injury, or other information.

Under section 115.11, the ''reasonable person'' standard applies to a firm's accountability for failure to obtain information that exists abroad. Considerations, such as those described above that may have affected the firm's ability to obtain or appreciate the significance of such information are certainly relevant to whether a firm acted reasonably in the circumstances. In view of the strictures in the statute and the existing interpretative regulation, the Commission believes that the commentors' fears that the Commission would not take such factors into account when assessing a firm's compliance with the reporting obligations are unfounded.

With respect to the second aspect of reporting—corrective action, as the June 7, 2001 final policy statement points out, information from abroad may be relevant to the core issue of whether some form of remedial action is necessary to protect American consumers from defective products that present a substantial risk of death or injury. The Commission hopes that all of the commentors to the proposed amendment accept that, in evaluating potential hazards, firms should attempt to obtain all reasonably available information, including that from abroad, in a timely manner to assure that they can reach reasoned decisions. Indeed, one of the three commentors expressly stated its agreement with this proposition. The Commission believes that this perspective is appropriate, since the welfare of their domestic customers should be of paramount concern to U.S. companies.

b. Two commentors believed that the proposed amendment differed materially from the final policy statement because, unlike the policy statement, the amendment did not

expressly note that firms had to have first obtained information from abroad for the obligation to evaluate the information to arise. The commentors feared that the omission signaled a possibility that, in evaluating a firm's compliance with the reporting requirements, the Commission might hold a firm responsible for not exercising due diligence to search for and obtain information that was available abroad, but that had not come to the firm's attention. The commentors therefore requested that the final amendment expressly state that a firm only needs to review information that it obtains.

The Commission believes that the amendment as proposed implicitly recognized that, in order to have an obligation to study and evaluate information, a firm must first obtain the information, or be reasonably expected to have obtained it because, for example, of the firm's relationship with or access to a firm or individual who possesses it. To alleviate the apparent confusion, however, the Commission has included in the final amendment an express statement that the information that should be evaluated includes information that a firm ''has obtained, or reasonably should have obtained in accordance with section 1115.11'' relating to product experience, etc. The Commission has not, however, limited this revision to cover only information that a firm has ''actually'' obtained, as one commentor requested. As is discussed *infra,* both the CPSA and the interpretative rule recognize that a firm need not have actually obtained information for obligations under section 15(b) to arise, if a reasonable person acting in the circumstances in which the firm finds itself would have obtained the information. Accordingly, the Commission believes that these provisions that address the imputation of knowledge to a firm dictate against further limiting the revision to the amendment. Adopting the restriction suggested by the commentor, on the other hand, could encourage firms to avoid seeking reasonably available information that could ultimately support the need for those firms to take corrective action.

c. Recipients of Information: One commentor stated that the rule should reflect that a firm ''obtains'' information only when an employee of the firm capable of appreciating the significance of the information actually receives it. Section 1115.11 of the interpretative rule already states that '' the Commission will deem a firm to have obtained reportable information when the information has been received by an official or employee who may reasonably be expected to be capable of appreciating the significance of the information.'' Because this provision already addresses the commentor's request, no additional revision to the final amendment is necessary.

d. Products Imported into the United States: Section 3(a)(4) of the CPSA, 15 U.S.C. 2051(a)(4) classifies importers as ''manufacturers'' under the act, while section 15(b) itself imposes reporting obligations on manufacturers, distributors, and retailers of consumer products. The Commission notes that foreign manufacturers export many products into the United States directly to importers, distributors, and retailers. In these circumstances, the Commission reminds importers, distributors, and retailers that they also have obligations under section 15 to conduct reasonable and diligent investigations, and to evaluate and report information about possible safety defects based on information they obtain or should reasonably obtain, including information from outside the United States. Retailers and distributors should refer to section 1115.13(b) of the interpretative rule for procedures for reporting.

Effective Date: This revision becomes effective 30 days after the date of publication of the revised final interpretative rule in the **Federal Register**.

List of Subjects in 16 CFR Part 1115

Administrative practice and procedure, Business and industry, Consumer protection, Reporting and recordkeeping requirements.

In accordance with the procedures of 5 U.S.C. 553 and under the authority of the Consumer Product Safety Act, 15 U.S.C. 2051 *et seq.*, the Commission amends part 1115 of title 16, Chapter II, of the Code of Federal Regulations as follows:

PART 1115—SUBSTANTIAL PRODUCT HAZARD REPORTS

1. The authority citation for part 1115 continues to read as follows:

Authority: 15 U.S.C. 2061, 2064, 2065, 2066(a), 2068, 2070, 2071, 2073, 2076, 2079 and 2084.

2. Section 1115.12(f) introductory text is revised to read as follows:

§ 1115.12 Information which should be reported; evaluating substantial product hazard.

* * * * *

* * * (f) *Information which should be studied and evaluated.* Paragraphs (f)(1) through (7) of this section are examples of information which a subject firm should study and evaluate in order to determine whether it is obligated to report under section 15(b) of the CPSA. Such information may include information that a firm has obtained, or reasonably should have obtained in accordance with § 1115.11, about product use, experience, performance, design, or manufacture outside the United States that is relevant to products sold or distributed in the United States. All information should be evaluated to determine whether it suggests the existence of a noncompliance, a defect, or an unreasonable risk of serious injury or death:

* * * * *

Dated: October 24, 2001.

Todd Stevenson,

Acting Secretary, Consumer Product Safety Commission.

[FR Doc. 01–27316 Filed 10–30–01; 8:45 am]

BILLING CODE 6355–01–P

DEPARTMENT OF DEFENSE

32 CFR Part 326

National Reconnaissance Office; NRO Privacy Act Program

AGENCY: National Reconnaissance Office, DOD.

ACTION: Final rule.

SUMMARY: The National Reconnaissance Office (NRO) is exempting two Privacy Act systems of records. The systems of records are QNRO–10, Inspector General Investigative Records and QNRO–15, Facility Security Files. The exemptions are intended to increase the value of the system of records for law enforcement purposes, to comply with prohibitions against the disclosure of certain kinds of information, and to protect the privacy of individuals identified in the systems of records.

EFFECTIVE DATE: October 16, 2001.

FOR FURTHER INFORMATION CONTACT: Ms. Barbara Freimann at (703) 808–5029.

SUPPLEMENTARY INFORMATION: The proposed rules were previously published on August 17, 2001, at 66 FR 43138. No comments were received; therefore, the National Reconnaissance Office is adopting the rules as final.

Executive Order 12866, ''Regulatory Planning and Review''

The Director of Administration and Management, Office of the Secretary of Defense, hereby determines that Privacy Act rules for the Department of Defense are not significant rules. The rules do