

to the *Code of Federal Regulations* (CFR).

List of Subjects in 39 CFR Part 501

Administrative practice and procedure, Postal Service.

For the reasons set out in this document, the Postal Service is proposing to amend 39 CFR part 501 as follows:

PART 501—AUTHORIZATION TO MANUFACTURE AND DISTRIBUTE POSTAGE METERS

1. The authority citation for part 501 continues to read as follows:

Authority: 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 410, 2601, 2605; Inspector General Act of 1978, as amended (Public Law 95'452, as amended); 5 U.S.C. App. 3.

2. Redesignate current §§ 501.23 through 501.30 as §§ 501.24 through 501.31 and add new § 501.23 to read as follows:

§ 501.23 Communications.

Authorized manufacturers, distributors, and any agents of an authorized manufacturer or distributor must not intentionally misrepresent to customers of the Postal Service decisions, actions, or proposed actions of the Postal Service respecting the postage meter program. The Postal Service reserves the right to suspend and/or revoke the authorization to manufacture and/or distribute postage meters throughout the United States or any part thereof under Sec. 501.5 when the manufacturer, distributor, or any agent of a manufacturer or distributor fails to comply with this requirement.

We will publish an appropriate amendment to 39 CFR part 501 to reflect these changes if the proposal is adopted.

Stanley F. Mires,

Chief Counsel, Legislative.

[FR Doc. 03-28958 Filed 11-19-03; 8:45 am]

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POSTAL SERVICE

39 CFR Part 551

Semipostal Stamp Program

AGENCY: Postal Service.

ACTION: Proposed rule.

SUMMARY: This proposed rule would clarify procedures for determining offsets for the Postal Service's reasonable costs from semipostal differential revenue.

DATES: Comments must be received on or before December 22, 2003.

FOR FURTHER INFORMATION CONTACT:

Cindy Tackett, (202) 268-6555.

SUPPLEMENTARY INFORMATION: On June 12, 2001, the Postal Service published a final rule establishing the regulations in 39 CFR part 551 for the Semipostal Stamp Program (66 FR 31822). Minor revisions were made to these regulations to implement Public Law No. 107-67, 115 Stat. 514 (2001), and to reflect minor organizational changes in the Postal Service (67 FR 5215 (February 5, 2002)).

The Postal Service proposes to amend regulations in section 551.8. The proposed changes are relatively straightforward and are intended to clarify existing regulations. A brief description of each proposed change follows.

Proposed edits to section 551.8(a) and (c) would expand the types of "comparable stamps" that could be used in conducting cost comparisons. Under current regulations, comparable stamps for purposes of cost comparisons are defined as *commemorative* stamps having similar sales; physical characteristics; and marketing, promotional, and public relations activities. The proposed rule would no longer limit the universe of comparable stamps to *commemorative* stamps. This measure would accordingly allow other types of stamps, such as definitive or special issue stamps, to serve as a baseline for cost comparisons. In some instances, it is conceivable that a definitive or special issue stamp could serve as the best proxy for comparative analysis, because, much like some semipostal stamps, such stamps are often sold for longer periods, are subjected to multiple print runs, and produced and distributed in much larger quantities than commemorative stamps. Thus, it is possible that some definitive or special issue stamps could more accurately mirror the characteristics of commemorative stamps, at least for certain discrete cost comparisons.

A proposed edit to section 551.8(c) would specify that different comparable stamps may be used for specific cost comparisons. For example, a given stamp might be useful for comparing marketing and advertising costs incurred in connection with a semipostal stamp. Nevertheless, a comparable stamp selected for purposes of comparing marketing and advertising costs might not serve as the best proxy for comparing other types of costs, for example because it has different physical characteristics than the semipostal stamp to which it is compared. The proposed change would

clarify that the Postal Service could select different comparable stamps for discrete cost comparisons. This will enhance accuracy in conducting comparative analysis for purposes of determining cost offsets.

A proposed edit to section 551.8(d)(1) would clarify that costs less than \$3,000 would not be offset from differential revenue, as long as they were not charged to a semipostal-specific finance number. The current rule is intended to preclude the need for time-consuming recordkeeping for low-value expenditures. Tracking low-dollar expenditures is, however, simplified whenever such costs are charged to a semipostal-specific finance number. Thus, the Postal Service intends to track semipostal costs less than \$3,000 when such costs are assigned to semipostal-specific finance number.

A proposed edit to section 551.8(d)(2) would clarify that costs that do not need to be tracked include not only those costs that would be too burdensome to track, but also those costs that would be too burdensome to estimate.

Finally, the proposed edits to section 551.8(d)(6) and (f) would clarify that printing, sales, distribution, and several other types of costs could be recovered when they materially exceed the costs of comparable stamps. While such costs arguably could be recovered under section 551.8(d)(5), the proposed edit would establish, in clear and unambiguous terms, the circumstances in which such costs are to be offset from differential revenue.

In accordance with 39 U.S.C. 416(e)(2), the Postal Service invites public comment on the following proposed amendments to the *Code of Federal Regulations*.

List of Subjects in 39 CFR Part 551

Administrative practice and procedure, Postal Service.

For the reasons set out in this document, the Postal Service proposes to revise 39 CFR 551 as follows:

PART 551—SEMIPOSTAL STAMP PROGRAM

1. The authority citation for 39 CFR part 551 is revised to read as follows:

Authority: 39 U.S.C. 101, 201, 203, 401, 403, 404, 410, 414, 416.

2. In § 551.8, revise paragraphs (a), (c), (d), (e), and (g) to read as follows:

§ 551.8 Cost offset policy.

(a) Postal Service policy is to recover from the differential revenue for each semipostal stamp those costs that are determined to be attributable to the semipostal stamp and that would not

normally be incurred for stamps having similar sales; physical characteristics; and marketing, promotional, and public relations activities (hereinafter "comparable stamps").

* * * * *

(c) For each semipostal stamp, the Office of Stamp Services, in coordination with the Office of Accounting, Finance, Controller, shall, based on judgment and available information, identify the comparable stamp(s) and create a profile of the typical cost characteristics of the comparable stamp(s) (e.g., manufacturing process, gum type), thereby establishing a baseline for cost comparison purposes. The determination of comparable stamps may change during or after the sales period, and different comparable stamp(s) may be used for specific cost comparisons.

(d) Except as specified, all costs associated with semipostal stamps will be tracked by the Office of Accounting, Finance, Controller. Costs that will not be tracked include:

(1) Costs that the Postal Service determines to be inconsequentially small, which include those cost items that are not charged to a semipostal-specific finance number and do not exceed \$3,000 per invoice.

(2) Costs for which the cost of tracking or estimation would be burdensome (e.g., costs for which the cost of tracking exceeds the cost to be tracked);

(3) Costs attributable to mail to which semipostal stamps are affixed (which are attributable to the appropriate class and/or subclass of mail); and

(4) Administrative and support costs that the Postal Service would have incurred whether or not the Semipostal Stamp Program had been established.

(e) Cost items recoverable from the differential revenue may include, but are not limited to, the following:

(1) Packaging costs in excess of the cost to package comparable stamps;

(2) Printing costs of flyers and special receipts;

(3) Costs of changes to equipment;

(4) Costs of developing and executing marketing and promotional plans in excess of the cost for comparable stamps;

(5) Other costs specific to the semipostal stamp that would not normally have been incurred for comparable stamps; and

(6) Costs in paragraph (g) of this section that materially exceed those that would normally have been incurred for comparable stamps.

* * * * *

(g) Other costs attributable to semipostals but which would normally

be incurred for comparable stamps would be recovered through the postage component of the semipostal stamp price. Such costs are not recovered, unless they materially exceed the costs of comparable stamps. These include, but are not limited to, the following:

(1) Costs of stamp design (including market research);

(2) Costs of stamp production and printing;

(3) Costs of stamp shipping and distribution;

(4) Estimated training costs for field staff, except for special training associated with semipostal stamps;

(5) Costs of stamp sales (including employee salaries and benefits);

(6) Costs associated with the withdrawal of the stamp issue from sale;

(7) Costs associated with the destruction of unsold stamps; and

(8) Costs associated with the incorporation of semipostal stamp images into advertising for the Postal Service as an entity.

We will publish an appropriate amendment to 39 CFR part 551 to reflect these changes if the proposal is adopted.

Stanley F. Mires,

Chief Counsel, Legislative.

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DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

49 CFR Part 571

[Docket No. NHTSA-2002-11321; Notice 1]

Federal Motor Vehicle Safety Standards

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

ACTION: Denial of petition for rulemaking.

SUMMARY: This document denies a petition for rulemaking submitted by General Motors Corporation (GM) on October 19, 2001. The petitioner requested that NHTSA initiate rulemaking to amend the test conditions specified in Federal Motor Vehicle Safety Standard (FMVSS) No. 208, "Occupant crash protection," and FMVSS No. 214, "Side impact protection," allowing vehicles equipped with automatic door locks (ADLs) to be tested with the doors locked. In its petition for rulemaking, GM stated that the proposed changes would allow vehicles equipped with ADLs to be

tested according to their designed condition, better reflecting field performance. Further, GM stated that initiating such a rulemaking would encourage manufacturers to equip their vehicles with ADLs, resulting in better occupant protection.

After examining four ADL designs and our crash test data, the agency is denying the petition for rulemaking for several reasons. Some ADL systems can be readily disabled, there is no evidence that ADLs provide a safety benefit, and testing ADL-equipped vehicles with all doors locked could degrade the minimum performance requirements specified in FMVSS Nos. 208 and 214.

FOR FURTHER INFORMATION CONTACT: The following persons at NHTSA, 400 Seventh Street, SW., Washington, DC 20590:

For non-legal issues: Dr. William Fan, Office of Crashworthiness Standards, NVS-112, telephone (202) 366-4922, facsimile (202) 366-4329.

For legal issues: Deirdre Fujita, Esq., Office of Chief Counsel, NCC-112, telephone (202) 366-2992, facsimile (202) 366-3820.

SUPPLEMENTARY INFORMATION:

1. Background

a. The Provision

Sections S8.1.7 and S16.2.4 of FMVSS No. 208, "Occupant crash protection," specify that in frontal crash tests, all vehicle doors are fully closed and latched but not locked. In addition, FMVSS No. 208 requires that all portions of the test dummy shall be contained within the outer surfaces of the vehicle passenger compartment throughout the test. Section S6.8 of FMVSS No. 214, "Side impact protection," specifies that in side impact tests, all doors, including any rear hatch and tailgate doors, are fully closed and latched but not locked. In addition, FMVSS No. 214 requires that any side door on the struck side shall not separate totally from the vehicle, and that any door on the non-struck side shall meet the following requirements:

1. The door shall not disengage from the latched position,

2. The latch shall not separate from the striker, and the hinge components shall not separate from each other or from their attachment to the vehicle, and

3. Neither the latch nor the hinge systems of the door shall pull out of their anchorages.

The above test requirements and procedures simulate a worst-case crash condition for real crashes with respect to the door latch/lock.