

manufacturing production per year is approximately 15 to 15 and a half million passenger cars and light trucks per year. We do not believe small businesses manufacture even 0.1 percent of total U.S. passenger car and light truck production per year.

Further, small organizations and governmental jurisdictions will not be significantly affected as the price of motor vehicles ought not to change as the result of this rule. As explained above, this action is limited to the adoption of a statutory directive, and has been determined to be not "significant" under the Department of Transportation's regulatory policies and procedures.

Finally, this action will not affect our civil penalty policy under the Small Business Regulatory Enforcement Fairness Act (62 FR 37115, July 10, 1997). We shall continue to consider the appropriateness of the penalty to the size of the business charged.

#### *Paperwork Reduction Act*

In accordance with the Paperwork Reduction Act of 1980 (Public Law 96-511), we state that there are no requirements for information collection associated with this rulemaking action.

#### *National Environmental Policy Act*

We have also analyzed this rulemaking action under the National Environmental Policy Act and determined that it has no significant impact on the human environment.

#### *Executive Order 12612 (Federalism)*

We have analyzed this rule in accordance with the principles and criteria contained in E.O. 12612, and have determined that it has no significant federalism implications to warrant the preparation of a Federalism Assessment.

#### *Civil Justice Reform*

This rule does not have a retroactive or preemptive effect. Judicial review of a rule may be obtained pursuant to 5 U.S.C. 702. That section does not require that a petition for reconsideration be filed prior to seeking judicial review.

#### *Unfunded Mandates Reform Act of 1995*

The Unfunded Mandates Reform Act of 1995 (Public Law 104-4) requires agencies to prepare a written assessment of the cost, benefits and other effects of proposed or final rules that include a Federal mandate likely to result in the expenditure by State, local, or tribal governments, in the aggregate, or by the private sector, of more than \$100 million annually. Because this rule will

not have a \$100 million effect, no Unfunded Mandates assessment will be prepared.

#### **List of Subjects in 49 CFR Part 578**

Imports, Motor vehicle safety, Motor vehicles, Rubber and rubber products, Penalties, Tires.

In consideration of the foregoing, 49 CFR part 578 is amended as follows:

#### **PART 578—CIVIL PENALTIES**

1. The authority citation for 49 CFR part 578 is revised to read as follows:

**Authority:** 49 U.S.C. 30165, 30505, 32308, 32309, 32507, 32709, 32710, 32912, and 33115; Pub. L. 101-410, 104 Stat. 890; Pub. L. 104-134, 110 Stat. 1372; delegation of authority at 49 CFR 1.50.

2. Section 578.6 is amended by revising the last sentence in paragraphs (a) and (d) and revising paragraphs (c)(2) and (f)(2) to read as follows:

#### **§ 578.6 Civil penalties for violations of specified provisions of Title 49 of the United States Code.**

(a) *Motor vehicle safety.* \* \* \* The maximum civil penalty under this paragraph for a related series of violations is \$925,000.

\* \* \* \* \*

(c) *Bumper standards.* \* \* \*

(2) The maximum civil penalty under this paragraph (c) for a related series of violations is \$925,000.

(d) *Consumer information regarding crashworthiness and damage susceptibility.* \* \* \* The maximum penalty under this paragraph for a related series of violations is \$450,000.

\* \* \* \* \*

(f) *Odometer tampering and disclosure.* \* \* \*

(2) A person that violates 49 U.S.C. Chapter 327 or a regulation prescribed or order issued thereunder, with intent to defraud, is liable for three times the actual damages or \$2,000, whichever is greater.

\* \* \* \* \*

Issued on: July 8, 1999.

**Ricardo Martinez,**  
*Administrator.*

[FR Doc. 99-17807 Filed 7-13-99; 8:45 am]

BILLING CODE 4910-59-P

## **DEPARTMENT OF TRANSPORTATION**

### **National Highway Traffic Safety Administration**

#### **49 CFR Part 591**

[Docket No. 99-NHTSA-5240; Notice 2]

RIN 2127-AH45

#### **Importation of Vehicles and Equipment Subject to Federal Safety, Bumper, and Theft Prevention Standards**

**AGENCY:** National Highway Traffic Safety Administration (NHTSA), DOT.

**ACTION:** Final rule.

**SUMMARY:** This document amends NHTSA's importation regulations to implement a 1998 statutory amendment that adds "show or display" to the special limited purposes for which vehicles or equipment items may be imported without having to comply with the Federal motor vehicle safety standards (FMVSS). Under the amendments, a person who wants to import a vehicle or equipment item for "show or display" must persuade us that the vehicle or equipment item is of such historical or technological significance that it is worthy of being shown or displayed in this country even though it would be difficult or impossible to be brought into compliance with the FMVSS. We intend this provision to accommodate primarily individuals wishing to import an example of a make or model of a vehicle which its manufacturer never sold in the United States and which therefore has no counterpart that was certified to conform to the FMVSS.

We will allow limited use on the public roads of vehicles imported for "show or display." Before entry, an importer must describe the intended on-road use of the vehicle and submit a copy of an insurance contract containing the condition that the maximum annual mileage of the vehicle shall not exceed 2,500 miles.

Pursuant to the 1998 statutory amendment, we are also allowing owners of vehicles already imported into the United States under other exemptions to apply to us for a change in the terms and conditions under which we permitted their vehicles to be imported. The opportunity to apply for such a change is statutorily limited to the period of 6 months after the effective date of the final rule.

**DATES:** *Effective date:* The final rule is effective August 13, 1999

**FOR FURTHER INFORMATION CONTACT:** Taylor Vinson, Office of Chief Counsel, NHTSA (202-366-5263).

**SUPPLEMENTARY INFORMATION:** We discussed at some length the background of this rulemaking action in our notice of proposed rulemaking, published on March 22, 1999 (64 FR 13757). Given the fact that we received only one comment by the end of the 45-day comment period, May 6, 1999, we are not repeating this discussion, and interested persons may read the earlier document for background information. That comment, from the Special Vehicle Coalition, supported the proposed rule, with a recommended change in the mileage permissible for on-road use. We discuss this at an appropriate place in the notice. Except for the annual mileage and verification statements, we are adopting a final rule as we proposed it.

### 1. The 1998 Amendment to the Import Regulations

Sec. 7107(a) of Pub. L. 105-178, which was enacted on June 9, 1998, amended 49 U.S.C. 30114 by adding "show, or display" to the special purposes set forth in that section. As the Conference Report on the Transportation Equity Act for the 21st Century explained:

Section 7107 reinstates NHTSA's authority to exempt certain motor vehicles imported for the purpose of show or display from certain applicable motor vehicle safety standards. Such authority was unintentionally deleted when title 49, United States Code was recodified in 1988.

(H. Report 105-550, p. 523)

(We note that the deletion of "show" resulted from the 1988 amendments to the importation authority, rather than from the 1994 recodification, which deleted "studies").

### 2. Amendments to 49 CFR Part 591 That Implement Congress' Amendment of Sec. 30114

#### A. Sec. 591.5, *Declarations Required for Importation*

As amended, sec. 30114 now reads:

The Secretary of Transportation may exempt a motor vehicle or item of motor vehicle equipment from section 30112(a) of this title on terms the Secretary decides are necessary for research, investigations, demonstrations, training, competitive racing events, show or display.

Currently, 49 CFR 591.5(j)(1) implements 49 U.S.C. 30114 by specifying requirements for importation of nonconforming vehicles or equipment for purposes of research, investigations, studies, demonstrations or training, and competitive racing events. In view of the intent of Congress at the time of recodification to include the word "studies" in the word

"research," as previously discussed, we are revising Sec. 591.5(j)(1)(iii) to substitute the term "show or display" for "studies." We deem the term "studies" covered by the word "research" and subject to the same terms and conditions imposed on vehicles imported for purposes of "research."

#### B. Sec. 591.6, *Documents Accompanying Declarations*

We recognize two types of importers under sec. 591.5(j): one that has received written permission from us to import a vehicle under its provisions (sec. 591.5(j)(2)(i)); and one that is an original manufacturer of motor vehicles (or its wholly-owned subsidiary) and that certifies that its products comply with the Federal motor vehicle safety standards (sec. 591.5(j)(2)(ii)).

Sec. 591.6(f) specifies the procedure for an importer who wishes to obtain written permission from us to import a vehicle or equipment item under sec. 591.5(j)(2)(i). Sec. 591.6(f)(1) requires all such requests to contain information sufficient to identify the vehicle or equipment and the specific purpose of importation, which must include a discussion of the use to be made of the vehicle or equipment. With respect to any such vehicle to be imported for research, investigations, demonstrations or training (but not for studies), if use on the public roads is to be an integral part of the purpose of importation, the statement must request permission for use on the public roads, describing the purpose that makes such use necessary and stating the estimated period of time during which use of the public roads is necessary. The request must also state the intended means of final disposition (and disposition date) of the vehicle or equipment after completion of the purpose for which it is imported.

After review, we have decided that it is appropriate to retain this requirement in implementing the new statutory provision but we will amend sec. 591.6(f)(1) to clarify that it pertains to importations other than those for show or display, which will now be covered by sec. 591.6(f)(2).

Currently, if a sec. 591.5(j)(2)(i) importer wishes to import a vehicle or equipment for "studies," the importer's written request:

shall explain why the vehicle or equipment item is of historical or technological interest, and describe the studies for which importation is sought. The importer, if other than the National Museum of History and Technology, Smithsonian Institution, shall also provide a copy of the Determination Letter from the Internal Revenue Service approving the importer's status as a tax-

exempt corporation or foundation under section 501(c)(3) or section 509, respectively, of the Internal Revenue Code. The time between the date of the Letter and the date of the importer's written request to the Administrator shall be not less than 5 years. The importer shall also provide a statement that it shall not sell, or transfer possession of, or title to, the vehicle, or license it for use, or operate it on the public roads, until the vehicle is not less than 25 years old.

We have concluded that the statutory amendment providing authority to admit vehicles or equipment for show or display, without any qualification on the eligibility of the importer, means that tax-exempt entities as well as individual importers may import vehicles for show or display. For this reason, there is no further need to maintain an exemption for studies. Accordingly, we are amending the regulation to delete the provisions expressly relating to importations for studies. As noted, importations for "studies" are essentially those of importations for "research."

One of the terms and conditions of the allowance of importation for "studies" was that the vehicle not be licensed for use or operated on the public roads. We have reviewed this restriction in view of our new authority to allow importation for "show or display," and have concluded that limited on-road use should be allowed, pursuant to our permission. We believe that the historical and technological significance of a vehicle may be maintained by its limited use of the public roads on an occasional basis in order to ensure that its engine, braking, lighting, and other dynamic systems remain in good working order, in short, so that it may be preserved. Another appropriate use of such a vehicle on the public roads would be to allow it to travel to and from nearby displays of automobiles of similar significance, so that its significance could be appreciated by a greater number of people than were it restricted to off-road use. We proposed that on-road use of these nonconforming vehicles should be limited to a maximum of 500 miles per year. For the reasons discussed below, this proposed restriction has been modified.

Consistent with the previous exemption for "studies," we have decided that a person who wishes to import a vehicle for show or display ought to establish that the vehicle is one of historical or technological interest. This criterion has existed for many years, beginning with the previous "show" exemption, and continuing with the one for "studies."

Our most detailed discussion of the criterion of historical and technical

interest was contained in a letter of July 12, 1983, to Richard London, and it is worth repeating here. Mr. London asked about the acceptability of importing a Mercedes-Benz 280SL which would be trailered to various auto meets, and which would not be licensed for use or used on the public roads. We advised Mr. London that:

The agency considers several factors in determining whether to accept a declaration that a vehicle is imported solely for "show." One of these is the nature of the vehicle itself. If it is a unique machine generally considered to be of technological or historical significance, it is more likely to be admitted under the exception than if it were a mass-produced vehicle similar to many that were manufactured to conform to the Federal motor vehicle safety standards. The smaller the production run, the greater the likelihood that it will be considered to be unique. Mechanical components that differ substantially from those commonly in use at the time of manufacturer are evidence of its technological significance. Association with historical personages that would create a desire in the public to see the car is also considered relevant in the agency's interpretation of the word "show."

Examples of vehicles that might qualify under this exemption are high technology vehicles such as the McLaren F1, or certain types of Porsches or Ferraris that were never, in the first instance, sold in the United States. We might consider a vehicle owned by the Pope, the Queen of England, or some other important figure to be a vehicle of historical significance.

We went on to explain to Mr. London that

In interpreting the word "show" and thereby exercising its discretion whether to allow importation of nonconforming motor vehicles for this purpose, the agency must balance the harm to the public likely to occur through use of the vehicle on the public roads, with the benefit to the public of importation of nonconforming vehicle for show purposes. \* \* \* [t]he agency believes it is less likely that a rare or unique vehicle, part of a collection available to the public will be sold for use on the public roads than a vehicle such as the 1968-72 Mercedes 280SL that has been imported in numerous quantities as a conforming motor vehicle.

This explanation clearly demonstrated our view that nonconforming analogues of certified vehicles sold in the United States were not very likely to be considered of historical or technological significance.

In any event, use on the public roads will not be a matter of right for vehicles imported for "show or display," but subject to such terms and conditions as may be established at the time of entry. In some cases where there are safety concerns, we may refuse to authorize on-road use of a particular vehicle. In

order to ensure that any on-road use is limited, the prospective importer, in his or her request letter, must describe the purposes for which on-road use is deemed required.

We proposed that the request be accompanied with an affirmation that the vehicle will not be driven on the public roads more than 500 miles in any 12-month period beginning as of the date of its importation, and that the affirmation be confirmed by the importer's submittal of an annual notarized mileage statement for the vehicle on the anniversary date of its importation, for the first five years after it is imported. We have been requested by the one commenter on the proposal, the Special Vehicle Coalition (the "Coalition"), to increase the permissible annual mileage to 2,500 miles. Describing itself as "a group of vehicle collectors who own limited-production high-performance vehicles," the Coalition asserted that "restricting mileage to 500 miles per year will prohibit participation in many civic and charitable events designed to benefit, entertain, and inspire the American public." More persuasively, the Coalition argued that an annual odometer reading might not accurately reflect actual on-road usage, since it would include mileage attributable to any use of the vehicle off the public roads as well. It brings to our attention that "a 2,500 mile allotment is consistent with current practice for these kind of vehicles, including normal on-road usage of much older collector vehicles that, because of their age, will not meet Federal motor vehicle safety standards." This comment was accompanied by a footnote saying that "Insurance policies for classic cars and vehicles of special interest typically set a maximum mileage allowance of 2,500 miles per year."

We have reconsidered our proposal in light of the Coalition's comments. In proposing a 500-mile limitation, we had not focused on the fact that other vehicles not subject to the Federal motor vehicle safety standards have been permitted to use the public roads under insurance policies that limit their mileage allowance to 2,500 miles per year. While the Coalition did not discuss the kind of insurance policy that would be obtained by importers for show and display, we assume that all vehicles imported for show and display will, in fact, be insured, and that the policy would not deviate materially from those that cover classic and special interest vehicles. Furthermore, the mileage limitation imposed as a condition of insurance appears to remove the need for the importer to

submit an annual mileage statement to us. However, we believe that we ought to be able to inspect the vehicle if we wish to verify that the accumulated mileage of the vehicle is not more than 2,500 miles in any 12-month period. Accordingly, our final rule requires the prospective importer to submit with its request the current mileage of the vehicle and a copy of an insurance contract covering the car, which contains as a condition the restriction of annual mileage to a maximum of 2,500 miles (this limitation refers to all mileage, not merely on-road mileage). In addition, the prospective importer must state that (s)he will allow us to inspect the vehicle upon our request. As proposed, the prospective importer will also have to state that the vehicle will not be used on the public roads unless it complies with the requirements of the Environmental Protection Agency. Moreover, as indicated above, we may impose additional requirements or limitations in particular instances when we find such requirements are appropriate.

We have substituted the conditions for an insurance policy and its maintenance until the vehicle is 25 years old for the notarized mileage statement submitted for 5 years after importation which we originally proposed. Under 49 U.S.C. 30112(b)(9), a noncomplying motor vehicle may be imported with no Federal legal requirement to conform if it is at least 25 years old. Our new provision, thus, serves to release the importer or owner from the restrictions imposed on show or display importations when the vehicle reaches 25 years of age. We retain the right to inspect it for mileage verification until that point.

The current regulation also restricts sale and transfer of possession of a vehicle imported for "studies" until it is 25 years old. While this restriction might not be burdensome to a museum, the agency recognizes that there are circumstances such as the death of an importer where a sale or transfer of a vehicle imported for "show or display" must occur before it is 25 years old. To fully implement its new authority to allow importation for "show or display," the agency is modifying this restriction, and allow sale or transfer of a vehicle imported for "show or display" upon approval by the Administrator.

Accordingly, we are revising sec. 591.6(f)(2) to require that a prospective importer:

shall explain why the vehicle or equipment item is of historical or technological interest. The importer shall also provide a statement that, until the vehicle is not less than 25

years old, (s)he shall not sell, or transfer possession of, or title to, the vehicle, and shall not license it for use, or operate it on the public roads, except under such terms and conditions as the Administrator may authorize. If the importer wishes to operate the vehicle on the public roads, the request to the Administrator shall include a description of the purposes for which (s)he wishes to use it on the public roads, a copy of an insurance policy or a contract to acquire an insurance policy, which contains as a condition thereof that the vehicle will not accumulate mileage of more than 2,500 miles in any 12-month period and a statement that the importer shall maintain such policy in effect until the vehicle is not less than 25 years old, a statement that the importer will allow the Administrator to inspect the vehicle at any time after its importation to verify that the accumulated mileage of the vehicle is not more than 2,500 miles in any 12-month period, and a statement that the vehicle will not be used on the public roads unless it is in compliance with the regulations of the Environmental Protection Agency.

Failure to allow a mileage inspection or to maintain a policy with an accumulated mileage limitation or the accumulation of more than 2,500 miles in any 12-month period will be regarded as a violation of the terms of entry.

#### *C. Sec. 591.7, Restrictions on Importations*

Until now, all importations under sec. 591.5(j)(1) have been "for a temporary period," requiring a U.S. Customs Service Temporary Importation Bond (TIB). Under sec. 591.7(a), the TIB requires that vehicles which it covers shall not remain in the United States for a period that exceeds 3 years from the date of entry. However, under sec. 591.7(b), if the importer decides to liquidate the bond, it may apply to us for permission to keep the vehicle in the country for an additional period of time not to exceed 5 years from the date of entry, unless further written permission has been obtained from us. Such written permission, after 5 years, can result in an "importation for a temporary period" becoming a permanent one. This regulatory scheme has caused uncertainty as to whether we permit permanent importations under sec. 591.5(j).

Because we do permit permanent importations under sec. 591.5(j), we believe that we should clarify this point and simplify this process to allow a permanent importation ab initio, if an importer chooses to pay duty upon entry of the vehicle, rather than treating the entry as a "temporary" one, requiring a TIB and subsequent letters of permission. Amendments of this nature will not affect the existing right under sec. 591.5(j)(1) to import vehicles on a

temporary basis with a TIB for those importers who wish to choose this option.

Another restriction is imposed by sec. 591.7(c). If the importer has brought a vehicle into the United States pursuant to sec. 591.5(j)(2)(i), sec. 591.7(c) requires the importer to retain title to and possession of it, forbids its leasing, and allows its use on the public roads only if written permission has been granted by the Administrator pursuant to sec. 591.6(f)(1) (covering importations for research, investigations, demonstrations or training, but not studies or competitive racing events).

The restriction of sec. 591.7(c) implements the statement that an importer is required to make as part of the request letter. Given the fact that limited on-road use is being permitted for importations for "show or display," we are amending sec. 591.7(c) to allow limited on-road use of all vehicles imported under sec. 591.5(j)(2)(i) "under such terms and conditions as the Administrator may authorize in writing." We are also amending the first sentence of sec. 591.7(c) to conform to the statement that an importer gives under sec. 591.6(f)(2), and imposing affirmative obligations not to sell or transfer the vehicle, or license it or operate it on the public roads except upon written approval by the Administrator in place of the presently existing absolute prohibition.

Sec. 591.7(d) specifically provides that any violation of a term or condition that we impose "in a letter authorizing importation or on-road use under sec. 591.5(j) shall be considered a violation" of the Safety Act for which a civil penalty may be imposed. We note that this language could possibly be read as suggesting that a civil penalty would be the only consequence of a violation of a condition imposed as part of an exemption from sec. 30112(a). Therefore, we are modifying sec. 591.7(d) to make it clear that such a violation of a term or condition in an exemption authorization will void the authorization and require exportation of the vehicle. In addition, the statutory reference in sec. 591.7(d) to 15 U.S.C. 1397(a)(1)(A) is changed to 49 U.S.C. 30112(a) to reflect the recodification of the Safety Act into Chapter 301.

Sec. 591.7(e) prohibits the importation for "studies" by any person not recognized as a tax-exempt entity by the Internal Revenue Service for not less than 5 years before the date of its written request. Because we are incorporating the "studies" exemption into the exemption for "research" where this restriction does not exist, this section is moot. Sec. 591.7(e), therefore,

is being removed. A new subsection (e) will replace it, to implement the statutory directive of section 7107(b) of Pub. L. 105-178 discussed below.

### **3. Seeking Exemptions Under Sec. 30114 for Vehicles in the United States at the Time the Amendment Was Enacted**

Section 7107(b) of Pub. L. 105-178 provides that:

(b) TRANSITION RULE—A person who is the owner of a motor vehicle located in the United States on the date of enactment of this Act may seek an exemption under section 30114 of title 49, United States Code, as amended by subsection (a) of this section, for a period of 6 months after the date regulations of the Secretary of Transportation promulgated in response to such amendment take effect.

We interpret sec. 7017(b) as authorizing owners of vehicles imported under sec. 591.5(j) before June 9, 1998, to apply to the Administrator for a change in the terms and conditions under which the vehicle was admitted so that engaging in an act contrary to those original terms and conditions will not be held to be a violation. If the change requested is to reclassify the vehicle as one imported for show or display, we proposed that the request also include a statement that the owner will provide the annual mileage statement required of de novo importers for show or display by sec. 591.6(f)(2). However, the final rule for change-of-status importers is modified to reflect the changes we are adopting in sec. 591.6(f)(2) relating to an increase in maximum mileage subject to insurance limitations, and the right to inspect the vehicle to verify its accumulated mileage. Therefore, we are revising sec. 591.7(d) and (e) to read as follows:

(d) Any violation of a term or condition imposed by the Administrator in a letter authorizing importation or on-road use under § 591.5(j), or a change of status under paragraph (e) of this section, including a failure to allow inspection upon request to verify that the accumulated mileage of the vehicle is not more than 2,500 miles in any 12-month period, shall be considered a violation of 49 U.S.C. 30112(a) for which a civil penalty may be imposed. Such a violation will also act to void the authorization and require the exportation of the vehicle. With respect to importations under § 591.6(f)(2) or a change of status to an importation for show or display as provided under paragraph (e) of this section, if the Administrator has reason to believe that a violation has occurred, the Administrator may tentatively conclude that a term of entry has been violated but shall make no final conclusion until the importer or owner has been afforded an opportunity to present data, views, and arguments as to why there is no

violation or why a penalty should not be imposed.

(e) The owner of a vehicle located in the United States on June 9, 1998, which the owner had imported pursuant to § 591.5(j), may apply to the Administrator on or before February 14, 2000, for a change in any such term or condition contained in the Administrator's letter. If the owner requests a change to importation for show or display, the request to the Administrator shall contain the information and statements required under § 591.6(f)(2) for a new importation for show or display. All requests for change shall be sent to the Director, Office of Vehicle Safety Compliance (NSA-32), National Highway Traffic Safety Administration, Room 6111, 400 Seventh Street, SW, Washington, DC 20590.

#### 4. Effective Date

The final rule is effective 30 days after its publication in the **Federal Register**.

#### 5. Rulemaking Analyses and Notices

##### A. Executive Order 12866 (Federal Regulation) and DOT Regulatory Policies and Procedures

This rule has not been reviewed under E.O. 12866. After considering the impacts of this rulemaking action, NHTSA has determined that the action is not significant within the meaning of the Department of Transportation regulatory policies and procedures. The only substantive change that this rule makes is to add an additional justification for importing motor vehicles without the need to comply with the Federal motor vehicle safety standards, and to require their importers to submit substantiating information similar to that already required for similar importations (see discussion below on Paperwork Reduction Act). The impacts are so minimal as not to warrant the preparation of a full regulatory evaluation.

##### B. Regulatory Flexibility Act

The agency has also considered the effects of this action in relation to the Regulatory Flexibility Act. For the reasons discussed above under E.O. 12866 and the DOT Policies and Procedures, I certify that this action does not have a significant economic impact upon "a substantial number of small entities." The addition of an option to import a vehicle for "show or display" without the need to conform it relieves a previously existing restriction. Because the agency has permitted manufacturers of motor vehicles to import vehicles for purposes similar to "show or display" in the past, NHTSA believes that virtually all who wish to import a vehicle for "show or display" will be individuals. Individuals are not "small entities." Governmental

jurisdictions will be affected only to the extent that they must decide whether local laws permit the operation on local public roads of motor vehicles imported for show or display that do not conform to all applicable Federal motor vehicle safety standards, and this decision will not have a significant economic impact.

##### C. Executive Order 12612 (Federalism)

The agency has analyzed this action in accordance with the principles and criteria contained in Executive Order 12612 "Federalism" and determined that the action does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

##### D. National Environmental Policy Act

NHTSA has analyzed this action for purposes of the National Environmental Policy Act. The action will not have a significant effect upon the environment because it is anticipated that the annual volume of motor vehicles imported will not vary significantly from that existing before the promulgation of this rule.

##### E. Civil Justice Reform

This final rule does not have any retroactive effect.

##### F. Paperwork Reduction Act

The procedures in this rule to permit importation of motor vehicles and equipment not originally manufactured for the U.S. market include information collection requirements as that term is defined by the Office of Management and Budget (OMB) in 5 CFR Part 1320. The original information collection requirements of Part 591 were approved by the OMB pursuant to the requirements of the Paperwork Reduction Act (44 U.S.C. Sec. 3501 *et seq.*). NHTSA believes that the existing clearance covers a final rule that is based on implementing a statutory amendment, and has not sought a new or expanded clearance. This collection of information has been assigned OMB Control No. 2127-0002 ("Motor Vehicle Information").

##### G. Unfunded Mandates Reform Act of 1995

The Unfunded Mandates Reform Act of 1995 (Pub. L. 104-4) requires agencies to prepare a written assessment of the cost, benefits, and other effects of proposed or final rules that include a Federal mandate likely to result in the expenditure by state, local, or tribal governments, in the aggregate, or by the private sector, of more than \$100 million annually. Because this final rule will not have an effect of \$100 million, no Unfunded Mandates assessment has been prepared.

#### List of Subjects in 49 CFR Part 591

Imports, Motor vehicle safety, Motor vehicles, Reporting and recordkeeping requirements.

In consideration of the foregoing, 49 CFR part 591 is amended as follows:

#### PART 591—IMPORTATION OF VEHICLES AND EQUIPMENT SUBJECT TO FEDERAL SAFETY, BUMPER AND THEFT PREVENTION STANDARDS

1. The authority citation for part 591 is revised to read as follows:

**Authority:** 49 U.S.C. 322(a), 30114; Pub. L. 100-562, 102 Stat. 2824; Pub. L. 105-178, 112 Stat. 469; delegations of authority at 49 CFR 1.50 and 501.8.

2. Section 591.5 is amended by revising paragraph (j)(1) to read as follows:

##### § 591.5 Declarations required for importation.

\* \* \* \* \*

(j)(1) The vehicle or equipment item does not conform with all applicable Federal motor vehicle safety and bumper standards, but is being imported solely for the purpose of:

- (i) Research;
- (ii) Investigations;
- (iii) Show or display;
- (iv) Demonstrations or training; or
- (v) Competitive racing events;

\* \* \* \* \*

3. Section 591.6(f)(1) and (f)(2) are revised to read as follows:

##### § 591.6 Documents accompanying declarations.

\* \* \* \* \*

(f) \* \* \*

(1) A declaration made pursuant to § 591.5(j)(1)(i), (ii), (iv), or (v) and (j)(2)(i) shall be accompanied by a letter from the Administrator authorizing importation pursuant to § 591.5(j)(1)(i), (ii), (iv), or (v) and (j)(2)(i). Any person seeking to import a motor vehicle or motor vehicle equipment pursuant to these sections shall submit, in advance of such importation, a written request to the Administrator containing a full and complete statement identifying the vehicle or equipment, its make, model, model year or date of manufacture, VIN if a motor vehicle, and the specific purpose(s) of importation. The discussion of purpose(s) shall include a description of the use to be made of the vehicle or equipment. If use on the public roads is an integral part of the purpose for which the vehicle or equipment is imported, the statement shall request permission for use on the public roads, describing the purpose which makes such use necessary, and stating the estimated period of time

during which use of the vehicle or equipment on the public roads is necessary. The request shall also state the intended means of final disposition, and disposition date, of the vehicle or equipment after completion of the purposes for which it is imported. The request shall be addressed to Director, Office of Vehicle Safety Compliance (NSA-32), National Highway Traffic Safety Administration, Room 6111, 400 Seventh Street, SW, Washington, DC 20590.

(2) A declaration made pursuant to § 591.5(j)(1)(iii) and (j)(2)(i) shall be accompanied by a letter from the Administrator authorizing importation pursuant to § 591.5(j)(1)(iii) and (j)(2)(i). Any person seeking to import a motor vehicle or motor vehicle equipment pursuant to those sections shall submit, in advance of such importation, a written request to the Administrator containing a full and complete statement identifying the equipment item or the vehicle and its make, model, model year or date of manufacture, VIN, and mileage at the time the request is made. The importer's written request to the Administrator shall explain why the vehicle or equipment item is of historical or technological interest. The importer shall also provide a statement that, until the vehicle is not less than 25 years old, (s)he shall not sell, or transfer possession of, or title to, the vehicle, and shall not license it for use, or operate it on the public roads, except under such terms and conditions as the Administrator may authorize. If the importer wishes to operate the vehicle on the public roads, the request to the Administrator shall include a description of the purposes for which (s)he wishes to use it on the public roads, a copy of an insurance policy or a contract to acquire an insurance policy, which contains as a condition thereof that the vehicle will not accumulate mileage of more than 2,500 miles in any 12-month period and a statement that the importer shall maintain such policy in effect until the vehicle is not less than 25 years old, a statement that the importer will allow the Administrator to inspect the vehicle at any time after its importation to verify that the accumulated mileage of the vehicle is not more than 2,500 miles in any 12-month period, and a statement that the vehicle will not be used on the public roads unless it is in compliance with the regulations of the Environmental Protection Agency.

\* \* \* \* \*

4. Section 591.7 is amended by revising the first sentence of paragraph

(c) and by revising paragraphs (d) and (e) to read as follows:

**§ 591.7 Restrictions on importations.**

\* \* \* \* \*

(c) An importer of a vehicle which has entered the United States under a declaration made pursuant to § 591.5(j)(2)(i) shall not sell, or transfer possession of, or title to, the vehicle, and shall not license it for use, or operate it on the public roads, except under such terms and conditions as the Administrator may authorize in writing.

\* \* \*

(d) Any violation of a term or condition imposed by the Administrator in a letter authorizing importation for on-road use under § 591.5(j), or a change of status under paragraph (e) of this section, including a failure to allow inspection upon request to verify that the accumulated mileage of the vehicle is not more than 2,500 miles in any 12-month period, shall be considered a violation of 49 U.S.C. 30112(a) for which a civil penalty may be imposed. Such a violation will also act to void the authorization and require the exportation of the vehicle. With respect to importations under § 591.6(f)(2) or a change of status to an importation for show or display as provided under paragraph (e) of this section, if the Administrator has reason to believe that a violation has occurred, the Administrator may tentatively conclude that a term of entry has been violated, but shall make no final conclusion until the importer or owner has been afforded an opportunity to present data, views, and arguments as to why there is no violation or why a penalty should not be imposed.

(e) The owner of a vehicle located in the United States on June 9, 1998, which the owner had imported pursuant to § 591.5(j), may apply to the Administrator on or before February 14, 2000 for a change in any such term or condition contained in the Administrator's letter. If the owner requests a change to importation for show or display, the request to the Administrator shall contain the information and statements required under § 591.6(f)(2) for a new importation for show or display. All requests for change shall be sent to the Director, Office of Vehicle Safety Compliance (NSA-32), National Highway Traffic Safety Administration, Room 6111, 400 Seventh Street, SW, Washington, DC 20590.

Issued on: July 8, 1999.

**Kathleen C. DeMeter,**

*Acting Associate Administrator for Safety Assurance.*

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**DEPARTMENT OF COMMERCE**

**National Oceanic and Atmospheric Administration**

**50 CFR Part 635**

[I.D. 052499C]

**Atlantic Highly Migratory Species (HMS) Fisheries; Large Coastal Shark Species; Commercial Fishery Closure Change**

**AGENCY:** National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

**ACTION:** Closure change.

**SUMMARY:** NMFS changes the closure of the large coastal shark (LCS) commercial fishery in the Atlantic Ocean, including the Gulf of Mexico and Caribbean Sea. On June 7, 1999, NMFS announced in the *Federal Register* a closure date of July 12, 1999, for non-ridgeback LCS and a closure date of August 8, 1999, for ridgeback LCS. In a court order by Judge Stephen D. Merryday, the new regulations governing catch quotas and fish counting methods are enjoined until further order of the court. Therefore, based on 1997 and 1998 catch rates, NMFS has determined that the second semiannual subquota for LCS will be reached on or before July 28, 1999.

**DATES:** This postponement action is effective July 9, 1999. The closure for the commercial LCS fishery is changed to 11:30 p.m., local time, July 28, 1999, and will be in effect through December 31, 1999.

**FOR FURTHER INFORMATION CONTACT:** Margo Schulze or Karyl Brewster-Geisz, 301-713-2347; fax 301-713-1917.

**SUPPLEMENTARY INFORMATION:** The Atlantic shark fishery is managed under the Fishery Management Plan for Atlantic Tunas, Swordfish, and Sharks (HMS FMP), and its implementing regulations found at 50 CFR part 635 issued under authority of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 *et seq.*).

On June 30, 1999, the NMFS received a Court Order from Judge Steven D. Merryday relative to the May, 1997 lawsuit challenging commercial harvest