

Renton, Washington 98055-4056; telephone number: (206) 227-2536.

#### SUPPLEMENTARY INFORMATION:

##### Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, aeronautical, economic, environmental, and energy related aspects of the proposal. Communications should identify the airspace docket number and be submitted in triplicate to the address listed above. Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: "Comments to Airspace Docket No. 97-ANM-02." The postcard will be date/time stamped and returned to the commenter. All communications received on or before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this notice may be changed in the light of comments received. All comments submitted will be available for examination at the address listed above both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

##### Availability of NPRM's

Any person may obtain a copy of this NPRM by submitting a request to the Federal Aviation Administration, Operations Branch, ANM-530, 1601 Lind Avenue SW, Renton, Washington 98055-4056. Communications must identify the notice number of this NPRM. Persons interested in being placed on a mailing list for future NPRM's should also request a copy of Advisory Circular No. 11-2A, which describes the application procedure.

##### The Proposal

The FAA is considering an amendment to part 71 of the Federal Aviation Regulations (14 CFR part 71) to amend Class E airspace at Alamosa, Colorado, to accommodate a new ILS SIAP and a new GPS SIAP to San Luis Valley Regional/Bergman Field. The area would be depicted on aeronautical

charts for pilot reference. The coordinates for this airspace docket are based on North American Datum 83. Class E airspace areas extending upward from the surface of the earth, and from 700 feet or more above the surface of the earth, are published in Paragraph 6002 and Paragraph 6005, respectively, of FAA Order 7400.9D dated September 4, 1996, and effective September 16, 1996, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designation listed in this document would be published subsequently in the Order.

The FAA has determined that this proposed regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore, (1) is not a "significant regulatory action" under Executive Order 12866; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

##### List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

##### The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend 14 CFR part 71 as follows:

##### PART 71—[AMENDED]

1. The authority citation for 14 CFR part 71 continues to read as follows:

**Authority:** 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959-1963 Comp., p. 389; 14 CFR 11.69.

##### § 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9D, Airspace Designations and Reporting Points, dated September 4, 1996, and effective September 16, 1996, is amended as follows:

*Paragraph 6002 Class E airspace areas designated as a surface area for an airport.*

\* \* \* \* \*

##### ANM CO E2 Alamosa, CO [Revised]

Alamosa, San Luis Valley Regional/Bergman Field, CO

(Lat. 37°26'06"N, long. 105°52'01"W)

Alamosa VORTAC

(Lat. 37°20'57"N, long. 105°48'56"W)

Within a 5-mile radius of the San Luis Valley Regional/Bergman Field, and within 3 miles each side of the Alamosa VORTAC 127° and 335° radials extending from the 5-mile radius to 10.1 miles southeast of the VORTAC. This Class E airspace area is effective during the specific dates and times established in advance by a Notice to Airmen. The effective date and time will thereafter be continuously published in the Airport/Facility Directory.

\* \* \* \* \*

*Paragraph 6005 Class E airspace areas extending upward from 700 feet or more above the surface of the earth.*

\* \* \* \* \*

##### ANM CO E5 Alamosa, CO [Revised]

Alamosa, San Luis Valley Regional/Bergman Field, CO

(Lat. 37°26'06"N, long. 105°52'01"W)

Alamosa VORTAC

(Lat. 37°20'57"N, long. 105°48'56"W)

That airspace extending upward from 700 feet above the surface within 8.7 miles northeast and 10.5 miles southwest of the Alamosa VORTAC 335° and 155° radials extending from 20.1 miles northwest to 10.5 miles southeast of the VORTAC, and within 1.8 miles northwest and 5.3 miles southeast of the Alamosa VORTAC 200° radial extending from the VORTAC to 14 miles southwest of the VORTAC; that airspace extending upward from 1,200 feet above the surface within an area bounded by a point beginning at lat. 37°37'00"N, long. 106°14'00"W; to lat. 37°44'00"N, long. 105°55'00"W; to lat. 37°52'00"N, long. 105°43'00"W; to lat. 37°49'00"N, long. 105°31'00"W; to lat. 37°20'30"N, long. 105°18'00"W; to lat. 37°03'30"N, long. 105°18'00"W; to lat. 37°01'30"N, long. 105°46'00"W; to lat. 37°05'25"N, long. 106°02'00"W; to lat. 37°09'00"N, long. 106°19'00"W; to lat. 37°17'00"N, long. 106°21'00"W; thence to the point of beginning.

\* \* \* \* \*

Issued in Seattle, Washington, on March 19, 1997.

**Helen Fabian Parke,**

*Manager, Air Traffic Division, Northwest Mountain Region.*

[FR Doc. 97-8368 Filed 4-1-97; 8:45 am]

BILLING CODE 4910-13-M

## FEDERAL TRADE COMMISSION

### 16 CFR Part 703

#### Request for Comments Concerning Rule Governing Informal Dispute Settlement Procedures

AGENCY: Federal Trade Commission.

**ACTION:** Proposed rule; request for public comments.

**SUMMARY:** The Federal Trade Commission ("the Commission") is requesting public comment on its Rule Governing Informal Dispute Settlement Procedures ("Rule 703"). The Commission is also requesting comments about the overall costs and benefits of Rule 703 and its overall regulatory and economic impact as part of its systematic review of all current Commission regulations and guides.

Rule 703 specifies the minimum standards which must be met by any informal dispute settlement mechanism that is incorporated into the written warranty of a consumer product and which the consumer must use prior to pursuing any legal remedies in court.

**DATES:** Written comments will be accepted until June 2, 1997.

**ADDRESSES:** Comments should be directed to: Secretary, Federal Trade Commission, Room H-159, Sixth and Pennsylvania Ave., NW., Washington, DC 20580. Comments should be identified as "Rule 703—Comment."

**FOR FURTHER INFORMATION CONTACT:** Carole I. Danielson, Investigator, Division of Marketing Practices, Federal Trade Commission, Washington, DC 20580, (202) 326-3115.

**SUPPLEMENTARY INFORMATION:** The Commission has determined, as part of its oversight responsibilities, to review rules and guides periodically. Pursuant to these reviews, the Commission seeks information about the costs and benefits of the rules and guides under review, as well as their regulatory and economic impact. The information obtained will assist the Commission in identifying rules and guides that warrant modification or rescission. At this time, the Commission solicits written public comments concerning its Rule Governing Informal Dispute Settlement Procedures, 16 CFR Part 703 ("Rule 703").

#### A. Background

In enacting the Magnuson-Moss Warranty Act ("Warranty Act" or "Act"),<sup>1</sup> which governs written warranties on consumer products, Congress recognized the growing importance of alternatives to the judicial process in the area of consumer dispute resolution. In Section 110(a)(1) of the Act, Congress announced a policy of "encourag[ing] warrantors to establish procedures whereby consumer disputes are fairly and expeditiously settled through informal dispute settlement

mechanisms" ("IDSMS") and erected a framework for their establishment. As an incentive to warrantors to establish such IDSMSs, Congress provided in Section 110(a)(3) that warrantors may incorporate into their written warranties a requirement that a consumer must resort to an IDSM before pursuing any of his or her legal remedies for breach of warranty. To ensure fairness to consumers, however, Congress also directed that, if a warrantor were to incorporate such a "prior resort requirement" into its written warranty, the warrantor must comply with the minimum standards set by the Commission for such IDSMSs; Section 110(a)(2) directed the Commission to establish those minimum standards. Accordingly, on December 31, 1975, the Commission published its Rule Governing Informal Dispute Settlement Procedures, 16 CFR Part 703.<sup>2</sup>

Rule 703 contains extensive procedural standards that must be followed by every warrantor who wishes to incorporate an IDSM, through a prior resort clause, into the terms of a written warranty. These standards include requirements concerning the mechanism's structure (e.g., funding, staffing, and neutrality), the qualifications of staff or decision makers, the mechanism's procedures for resolving disputes (e.g., notification, investigation, time limits for decisions, and follow-up), recordkeeping, and annual audits. The Rule is unique among Commission rules because it is a voluntary regulation; that is, the Rule applies only to those firms that choose to be bound by it by placing a "prior resort requirement" in their warranties. The Act does not require warrantors to set up IDSMSs. Furthermore, a warrantor is free to set up an IDSM that does not comply with Rule 703 as long as the warranty does not contain a "prior resort requirement."

In the twenty years since Rule 703 was promulgated, most of the activity in developing mediation and arbitration programs for the resolution of consumer warranty disputes has taken place in the automobile industry. It is unclear how many companies, if any continue to participate in a Rule 703 mechanism.<sup>3</sup>

<sup>2</sup> 40 FR 60,190.

<sup>3</sup> General Motors ceased incorporating an IDSM in its warranty beginning with its 1986 models and no longer operates a 703 program. Ford discontinued operation under Rule 703 with its 1988 model year cars. Chrysler discontinued its Rule 703 program with its 1991 models. Similarly, American Honda, Nissan, Volvo, and other auto manufacturers have all discontinued operating Rule 703 programs. Although they are not required to do so, the IDSMSs for the major auto manufacturers continue to file annual audits with the Commission. These audits are placed on the public record and can be obtained

Most vehicle manufacturers no longer include a "prior resort requirement" in their warranties; thus, they and any dispute resolution programs in which they participate are not required to comply with Rule 703.

The fact that most warrantors do not include "prior resort requirements" in their warranties does not mean, however, that warrantors have abandoned informal dispute resolution programs. On the contrary, due to the terms of state lemon laws (as explained more fully below), all major automakers participate in either manufacturer-sponsored or state-run dispute resolution programs that frequently are modeled on the minimum standards set out in Rule 703 even though they are not required to do so under any provision of federal law. Today, most automobile warranty disputes are handled either by state-operated programs not subject to Rule 703 or by private programs which choose not to operate under the Rule. As a result of these trends, the Commission's enforcement responsibility for Rule 703 has virtually ceased.

Since Rule 703 was promulgated, warrantors, consumer groups, state governments and IDSMSs have criticized the Rule. Some warrantors and IDSMSs have argued that the Rule is unduly burdensome, discourages the formation of new IDSMSs, and hinders the efficient operation of existing ones. These critics have alleged high compliance costs of the procedural provisions and burdensome recordkeeping requirements. Other parties, by contrast, have asserted that the Rule is insufficiently stringent in many respects. For example, consumer groups and state law enforcement offices have alleged that decisionmakers are not adequately trained and that the recordkeeping requirements are insufficient to evaluate the programs' performance. Finally, because few, if any, programs actually operate under Rule 703, some might argue that the Rule no longer serves a useful purpose and has become irrelevant to today's market.

In 1986, the Commission decided to evaluate Rule 703 in an effort to address criticisms of the Rule and to develop proposals for reform. In order to assist in this evaluation, the Commission conducted a "regulatory negotiation" with an advisory committee of 25 organizations representing the major

from the FTC's Public Reference Branch, Room 130, 6th St. and Pennsylvania Ave., NW., Washington, DC 20580; (202) 326-2222. (FTC File No. R711002)

<sup>1</sup> 15 U.S.C. 2301 *et seq.* (1975).

interests affected by the Rule.<sup>4</sup> The Commission agreed to publish a Notice of Proposed Rulemaking ("NPR") to amend Rule 703 if the advisory committee could reach a consensus recommendation regarding revisions. The Commission agreed to incorporate any consensus recommendation coming out of the negotiated rulemaking into any NPR. However, the regulatory negotiation was unable to reach a consensus on a proposed revision of the Rule and concluded its meetings in 1987.<sup>5</sup> Since no consensus recommendation was reached, the Commission did not publish an NPR.

A second evaluation began in 1988, after the auto manufacturers petitioned the Commission to initiate a rulemaking proceeding to amend Rule 703.<sup>6</sup> Among other things, the petitioners proposed that the Commission institute a national certification program for IDSMs and that the Commission preempt those provisions of state laws which impose requirements upon warrantors' private IDSMs which differ from the requirements specified in Rule 703. This petition was followed by a Memorandum in Opposition to the petition filed by the Attorneys General of 41 states.<sup>7</sup> Because of the continuing interest in the issues surrounding Rule 703 (as evidenced by the petition and the Memorandum in Opposition), the Commission published an Advance Notice of Proposed Rulemaking ("ANPR") in order to generate a broad range of views on which dispute resolution practices are sound and could form the basis for possible revisions to the Rule.<sup>8</sup> In addition, the Commission's ANPR requested economic or cost data to buttress the petitioners' allegations of injury due to non-uniformity and the costs and benefits associated with a national certification program. On June 13, 1991,

the Commission denied the automakers' petition because the record failed to provide the adequate factual basis regarding the costs of non-uniformity that would have been necessary to justify a rulemaking procedure, preemption of state laws governing IDSMs, or federal certification of IDSMs.<sup>9</sup>

Rule 703 is brought into play only if the warranty includes a "prior resort requirement." Because few warrantors have a "prior resort requirement" in their warranties, they and their dispute resolution programs are not governed by Rule 703. Nonetheless, although few warrantors operate Rule 703 IDSMs today, there is a recurring issue that arise from the interplay between Rule 703 and state "lemon laws." Many state lemon laws, paralleling Section 110(a)(3) of the Warranty Act, prohibit the consumer from pursuing any state lemon law rights in court unless the consumer first seeks a resolution of the claim to the manufacturer's (or a state-operated) IDSM.<sup>10</sup> Those statutes also provide that the consumer is required to use the manufacturer's IDSM only if it complies with the FTC's standards set out in Rule 703. Thus, in effect, these states incorporate Rule 703 into their lemon laws.<sup>11</sup> A threshold question for many state lemon law suits is whether the IDSM complies with Rule 703 and thus whether the consumer must use that IDSM or may proceed directly to a court action.

### B. Issues for Comment

There are issues surrounding Rule 703 that continue to be of interest to many parties. A review of the Rule and its provisions, including the specific issue of the interplay of Rule 703 and lemon law litigation, will be helpful in determining what direction the Commission might take in the area of setting standards for informal dispute settlement procedures. Therefore, at this time, the Commission solicits written public comments on the following questions with regard to Rule 703:

1. Is there a continuing need for Rule 703? Does the Rule continue to serve a useful purpose?
  - (a) What benefits has the Rule

<sup>9</sup>The record for the ANPR proceeding was placed on the public record and is available through the FTC's Public Reference Branch, Room 130, 6th and Pennsylvania, N.W., Washington, D.C. 20580; 202-326-2222. (FTC File No. R711002)

<sup>10</sup>"Lemon Laws" entitle the consumer to obtain a replacement or a refund for a defective new car if the warrantor is unable to repair the car after a reasonable number of repair attempts.

<sup>11</sup>Some state lemon laws also require that the IDSM comply with additional state standards in addition to complying with the Rule 703 provisions.

provided to consumers?

- (b) Has the Rule imposed costs on consumers?
2. What changes, if any, should be made to Rule 703 to increase the benefits of the Rule to consumers? How would these changes affect the costs that the Rule imposes on firms subject to its requirements?
3. What significant burdens or costs, including costs of compliance, has Rule 703 imposed on firms subject to requirements? Has the Rule provided benefits to such firms?
4. What changes, if any, should be made to Rule 703 to reduce the burdens or costs imposed on firms subject to its requirements? How would these changes affect the benefits provided by the rule?
5. Does Rule 703 overlap or conflict with other federal, state, or local government laws or regulations?
6. Since Rule 703 was issued, what effects, if any, have changes in relevant technology or economic conditions had on the Rule? Are there ways in which new electronic technology, such as the Internet, could be used to further the purpose of the Rule?
7. What are the aggregate costs and benefits of Rule 703? Are there provisions in the Rule that are not necessary to implement the Magnuson-Moss Warranty Act or that have imposed costs not outweighed by benefits? Who has benefited and who has borne the costs? Have the costs or benefits of the Rule changed over time?
8. Many state lemon laws require that, before the consumer pursues any legal remedies in court, the consumer first must resort to the manufacturers' informal dispute resolution mechanism if that mechanism complies with Rule 703.
  - (a) What costs and benefits, if any, result to the parties in a state lemon law dispute from Rule 703 with respect to the issues of:
    - (1) Whether a particular IDSM complies with the Rule; and
    - (2) whether a plaintiff must first resort to such an IDSM before bringing suit in state court.
  - (b) What changes, if any, could be made to Rule 703 that might minimize burdens and maximize benefits to parties in state lemon law disputes?

### List of Subjects in 16 CFR Part 703

Warranties, trade practices.

Authority: 15 U.S.C. 41-58.

<sup>4</sup>The notice of intent to form an advisory committee for regulatory negotiation appears at 51 FR 5205 (February 12, 1986). The notice of formation of the advisory committee and notice of the first meeting appears at 51 FR 29666 (August 20, 1986).

<sup>5</sup>The record of that negotiated rulemaking and the facilitators' final report were placed on the public record and is available through the FTC's Public Reference Branch, Room 130, 6th and Pennsylvania, N.W., Washington, D.C. 20580; 202-326-2222. (FTC File No. R711002)

<sup>6</sup>On April 11, 1988, the Motor Vehicle Manufacturers Association of the United States, Inc. and the Automobile Importers of America, Inc. filed their petition together with a proposed revised Rule. The petition and the record of the ANPR which followed is available through the FTC's Public Reference Branch, Room 130, 6th and Pennsylvania, N.W., Washington, D.C. 20580; 202-326-2222. (FTC File No. R711002)

<sup>7</sup>The Memorandum in Opposition was filed on June 22, 1988.

<sup>8</sup>54 FR 21070 (May 16, 1989).

By direction of the Commission.

**Benjamin I. Berman,**

*Acting Secretary.*

[FR Doc. 97-8411 Filed 4-1-97; 8:45 am]

BILLING CODE 6750-01-M

## DEPARTMENT OF THE INTERIOR

### Minerals Management Service

#### 30 CFR Part 253

RIN 1010-AC33

#### Oil Spill Financial Responsibility for Offshore Facilities; Correction

**AGENCY:** Minerals Management Service (MMS), Interior.

**ACTION:** Correction to notice of proposed rulemaking.

**SUMMARY:** This document corrects the proposed regulation published in the *Federal Register* on March 25, 1997 (62 FR 14052). Section 253.44 of the proposed regulation (62 FR 14064) is revised to clarify the intended compliance date.

**EFFECTIVE DATE:** April 2, 1997.

**FOR FURTHER INFORMATION CONTACT:** Raymond L. Beittel, Performance and Safety Branch, at (703) 787-1591.

**SUPPLEMENTARY INFORMATION:** MMS published a proposed rule on March 25, 1997 (62 FR 14052), which addressed new requirements for demonstrating oil spill financial responsibility for cleanup and damages from oil discharges from oil exploration and production facilities and associated pipelines. The rule will apply to operations in: the Outer Continental Shelf; State waters seaward of the line of ordinary low water along that portion of the coast that is in direct contact with the open sea; and in coastal inland waters, such as bays and estuaries, seaward of the line of ordinary low water along that portion of the coast that is not in direct contact with the open sea. This rule implements the authority of the Oil Pollution Act of 1990 (OPA).

#### Need For Correction

As published, the proposed regulation at § 253.44 contains an error that may be misleading and is in need of clarification.

#### Correction of Publication

Accordingly, the publication on March 25, 1997, of the proposed regulation, which was the subject of FR Doc 97-7270, is corrected as follows:

#### § 253.44 [Corrected]

On page 14064, in the first column, in § 253.44, is corrected to read as follows:

#### § 253.44 When must I comply with this regulation?

You must submit to MMS your evidence of OSFR for all the COF's on all the leases, permits, and RUE's for which you are the designated applicant *no later than 60 days after the publication date of the final regulation.*

\* \* \* \* \*

Date: March 27, 1997.

**E.P. Danenberger,**

*Chief, Engineering and Operations Division.*

[FR Doc. 97-8269 Filed 4-1-97; 8:45 am]

BILLING CODE 4310-MR-M

## DEPARTMENT OF DEFENSE

### Department of the Army

#### 32 CFR Part 552

[APG Reg 1-1]

#### Protests, Picketing, and Other Similar Demonstrations on the Installation of Aberdeen Proving Ground, MD

**AGENCY:** Department of the Army, DoD.

**ACTION:** Proposed rule.

**SUMMARY:** This action will establish 32 CFR Part 552, Subpart P, Protests, Picketing, and Other Similar Demonstrations, and authenticates Aberdeen Proving Ground Regulation, APG Reg. 1-1. This subpart will establish policies, responsibilities, and procedures for protests, picketing, and other similar demonstration on the Aberdeen Proving Ground military reservation. This regulation will be applicable to all personnel assigned, residing, working, or visiting on the Aberdeen Proving Ground reservation.

**DATES:** Comments must be received no later than May 2, 1997.

**ADDRESSES:** Commander, U.S. Army Test and Evaluation Command, Office of the Chief Counsel and Staff Judge Advocate, Aberdeen Proving Ground, Maryland 21005.

**FOR FURTHER INFORMATION CONTACT:** Laura R. Haug, Deputy Chief Counsel, telephone (410) 278-1105 or 1107.

**SUPPLEMENTARY INFORMATION:** Supplementation of this subpart by subordinate units is prohibited.

#### Executive Order 12291

This proposed rule is not a major rule as defined by Executive Order 12291.

#### Regulatory Flexibility Act

The Regulatory Flexibility Act has no bearing on this proposed rule.

#### Paperwork Reduction Act

This proposed rule does not contain reporting or recordkeeping requirements subject to the Paperwork Reduction Act.

#### List of Subjects in 32 CFR Part 552

Federal buildings and facilities.

It is proposed to add Subpart P to 32 CFR Part 552 as set forth below:

**Roslyn M. Glantz,**

*Colonel, U.S. Army, Aberdeen Proving Ground Garrison Commander.*

32 CFR Part 552 is amended by adding a new Subpart P as follows:

#### Subpart P—Protests, Picketing, and Other Similar Demonstrations on the Installation of Aberdeen Proving Ground, Maryland

Sec.

552.211 Purpose.

552.212 Scope.

552.213 Policy.

552.214 Procedures.

552.215 Responsibilities.

552.216 Violations.

**Authority:** 18 U.S.C. Sec. 1382.

#### Subpart P—Protests, Picketing, and Other Similar Demonstrations on the Installation of Aberdeen Proving Ground, Maryland

##### § 552.211 Purpose.

This subpart establishes policies, responsibilities, and procedures for protests, picketing, and other similar demonstrations on the Aberdeen Proving Ground installation.

##### § 552.212 Scope.

(a) The provisions of this subpart apply to all elements of U.S. Army Garrison, Aberdeen Proving Ground (USAGAPG), and the supported organizations and activities on the Aberdeen and Edgewood Areas of Aberdeen Proving Ground.

(b) The provisions of this subpart cover all public display of opinions made by protesting, picketing, or any other similar demonstration.

(c) The provisions of this subpart are applicable to all people, military and civilian employees, and all visitors, family members, or others, entering upon or present at Aberdeen Proving Ground.

##### § 552.213 Policy.

(a) Aberdeen Proving Ground is a non-public forum and is NOT open for expressive activity. Aberdeen Proving Ground is a military installation under the exclusive federal jurisdiction at which official business of the federal government is conducted, including military training, testing of weapon systems and other military equipment, and other official business.