

vehicle; hence, proper use of this feature improves the child occupant's protection.

As stated above, vehicle owners are not likely to be familiar with the purpose, use, or installation of top tethers in their vehicles, which may in some instances contribute to their misuse or nonuse of the top tether entirely when proper use and installation information is not provided. This may be especially true when specific information regarding the vehicle's tether anchor brackets is not made obvious to them when referring to their vehicle owner's manual for instruction.

Studies show that there is significant misuse of child restraint systems in this country. In part, this can be attributed to parents and care givers who improperly install child restraints in their vehicles. It is imperative that proper child restraint use and installation instructions be provided in a "step-by-step" fashion, particularly when new features and/or installation requirements are introduced, in as many resources as possible. Therefore, the agency cannot emphasize enough the importance of providing parents and care givers with specific information regarding proper child restraint use and installation.

The agency also does not agree with Suzuki's claim that because of differences in child restraint system designs, a vehicle owner's manual can only provide "general instructions." We note that we denied a petition filed by the Alliance of Automobile Manufacturers (Alliance) on April 17, 1999, which asked the agency to delete the requirement in FMVSS No. 225 that vehicle manufacturers provide "step-by-step" instructions, including diagrams, for properly attaching a child restraint tether hook to the vehicle anchor. The agency denied this request on August 31, 1999, stating that " * * * Standard No. 213 specifies the configuration and geometry of the tether hook * * *" which would enable vehicle manufacturers to develop their written instructions with the tether hook design in mind (64 FR 47566). The Alliance submitted a subsequent petition for reconsideration request on October 15, 1999, which requested that the agency defer the effective date on the detailed instruction requirement one year from September 1, 1999. The agency denied this request in a notice published July 31, 2000 (65 FR 46628).

Therefore, in consideration of the foregoing, NHTSA has decided that the applicant has not met its burden of persuasion that the noncompliance it describes is inconsequential to motor

vehicle safety, and it should not be exempted from the notification and remedy requirements of the statute. Accordingly, its application is hereby denied.

Authority: 49 U.S.C. 30118, 30120; delegations of authority at 49 CFR 1.50 and 501.8.

Issued on: September 19, 2000.

Stephen R. Kratzke,

Associate Administrator for Safety Performance Standards.

[FR Doc. 00-24551 Filed 9-22-00; 8:45 am]

BILLING CODE 4910-59-P

DEPARTMENT OF TRANSPORTATION

[STB Ex Parte No. 634]

Consolidated Railroad Reporting

AGENCY: Surface Transportation Board, DOT.

ACTION: Proposal to Require Consolidated Financial Reporting by Commonly Controlled Railroads.

SUMMARY: The Board intends, consistent with Financial Accounting Standards Board (FASB) Statement No. 94, to require consolidated reporting by commonly controlled U.S. railroads and their U.S. railroad-related affiliates.

DATES: Carriers and other interested parties may submit comments by October 25, 2000.

ADDRESSES: An original plus 10 copies of all comments, referring to STB Ex Parte No. 634, must be sent to: Surface Transportation Board, Office of the Secretary, Case Control Unit, Attn: STB Ex Parte No. 634, 1925 K Street, NW., Washington, DC 20423-0001. In addition, parties must submit to the Board, on 3.5-inch IBM-compatible floppy diskettes (in, or convertible by and into, WordPerfect 9.0 format), an electronic copy of each such paper document. The diskettes shall be clearly labeled with the filer's name and the docket number of this proceeding, STB Ex Parte No. 634. Any party may seek a waiver from the electronic submission requirement.¹

Copies of the written comments will be available from the Board's contractor, Da-To-Da Office Solutions, 1925 K Street, NW, Room 405, Washington, DC. 20423-0001, phone (202) 466-5530. The comments will also be available for viewing and self copying in the Board's Microfilm Unit, Room 755. All pleadings submitted will be posted on the Board's website (www.stb.dot.gov).

¹ Documents transmitted by facsimile (FAX) or electronic mail (e-mail) will not be accepted.

FOR FURTHER INFORMATION CONTACT: Paul A. Aguiar, (202) 565-1527. [Assistance for the hearing impaired is available through TDD services: 1-800-877-8339.]

SUPPLEMENTARY INFORMATION: FASB is the organization responsible for the development of financial accounting standards. FASB issues statements of financial accounting standards that provide guidance on proper accounting procedures.² Those pronouncements typically become "Generally Accepted Accounting Principles" or "GAAP." The Board, like most regulatory agencies, generally follows GAAP.

FASB No. 94, *Consolidation of All Majority-owned Subsidiaries*, which was issued in 1987, requires the preparer of financial statements to use consolidated reporting for all majority-owned subsidiaries unless control is temporary or does not rest with the majority owner. In *Supplemental Reporting of Information for Revenue Adequacy*, 5 I.C.C.2d 65 (1988) (*Supplemental Reporting*), our predecessor, the Interstate Commerce Commission (ICC), required railroads to use consolidated reporting for all railroad and railroad-related activities in conformance with GAAP for "revenue adequacy" purposes.³ While *Supplemental Reporting* was primarily concerned with gathering data for the annual railroad revenue adequacy determination, the ICC did not specifically limit adoption of consolidated reporting to only that issue. However, as a practical matter, over the past decade that decision has been interpreted to require mandatory consolidated reporting only for Annual Report Form R-1, Schedule 250 (related to revenue adequacy filings), and to permit—but not require—consolidated reporting for other R-1 schedules and reports filed with the agency.⁴

We believe that we should adopt FASB No. 94 (with some modifications) and require reporting of all railroad and railroad-related activities on a consolidated basis for all regulatory purposes. We believe that consolidated data would provide more meaningful and accurate information on major rail systems operating in the United States. Indeed, consolidated financial statements are generally recognized as being more meaningful than the

² FASB statements can be obtained by contacting the FASB of the Financial Accounting Foundation at 401 Merritt 7, P.O. Box 5116, Norwalk, Connecticut 06856-5116. Information about FASB statements can be found on the internet at: <http://www.rutgers.edu/accounting/raw/fasb>.

³ The STB is required by statute to "annually determine which rail carriers are earning adequate revenues." 49 U.S.C. 10704(a)(3).

⁴ See 49 CFR Part 1201 Instruction 1-9(f).

separate statements of affiliated companies. Furthermore, adherence to FASB No. 94 for all regulatory reporting purposes would be in keeping with our general policy of following GAAP unless such procedures are inconsistent with our regulatory requirements.

Certain modifications to FASB No. 94 would seem to be appropriate for our use, however. FASB No. 94 generally requires consolidated reporting for all majority-owned subsidiaries,⁵ whether or not operating in the United States. For our regulatory reporting purposes, however, we would require consolidated reports for only the activities of commonly controlled U.S. railroads and their U.S. railroad-related affiliates.⁶ We would not expect data on non-U.S. railroads and on non-railroad related operations to be included in consolidated reports filed with the Board.⁷ Parties may comment on this issue, and on whether there are situations in which railroads under common control ought not to be required to report on a consolidated basis (for example, where the railroads under common control have no connection with one another except for a common parent).

We propose to require all railroads to follow FASB No. 94 standards in their reporting and to file reports on a consolidated basis, beginning with calendar year 2001 operations. This approach could change the "classification" status of some railroads,⁸ whose revenues would be combined with the revenues of their corporate siblings to determine whether the railroads that are part of the commonly controlled families should be classified as Class I, Class II, or Class III.⁹

⁵ Under GAAP, consolidated reporting is required when an entity has greater than 50 percent (direct or indirect) ownership of an affiliate.

⁶ An affiliate is considered rail-related if it could not exist but for the revenues derived from, or support provided for, railroad operations. See *Supplemental Reporting*, 5 I.C.C.2d at 67-68.

⁷ Indeed, when non-railroad-related activities are included in carrier reports to facilitate complete disclosure, the non-railroad-related activities should be segregated and the information reported separately.

⁸ Railroads are classified according to their revenues. A Class I railroad is one that has annual revenues of at least \$250 million, as indexed for inflation. A Class II railroad has inflation-adjusted annual revenues between \$20 million and \$250 million. And a Class III railroad has inflation-adjusted revenues below \$20 million. See 49 CFR 1201, General Instruction 1-1.

⁹ The parent of the commonly controlled railroads, whether that parent is a railroad or non-railroad, would be required to file consolidated financial reports. See 49 U.S.C. 721(b) (authorization for the collection of data from persons controlling a carrier). And if a family of carriers were to attain Class I status, it would be required to follow the Uniform System of Accounts

Carriers and other interested parties have 30 days following the issuance of this notice to submit comments regarding this proposal. After considering the comments, we will decide whether use of the FASB No. 94 standards will be mandated for all railroad reporting.¹⁰

This action will not significantly affect either the quality of the human environment or the conservation of energy resources.

Decided: September 18, 2000.

By the Board, Chairman Morgan, Vice Chairman Burkes, and Commissioner Clyburn.

Vernon A. Williams,
Secretary.

[FR Doc. 00-24583 Filed 9-22-00; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Docket No. AB-55 (Sub-No. 580X)]

CSX Transportation, Inc.— Abandonment Exemption—in Muhlenberg and McLean Counties, KY

On September 5, 2000, CSX Transportation, Inc. (CSXT) filed with the Surface Transportation Board (Board) a petition under 49 U.S.C. 10502 for exemption from the provisions of 49 U.S.C. 10903 to abandon a portion of its line of railroad in the Midwest Region, known as its Nashville Division, O&N Nashville Subdivision, extending from railroad Milepost 00D-186.35 near Moorman in Muhlenberg County, KY, to railroad Milepost 00D-193.83 near Livermore in McLean County, KY, a distance of 7.48 miles. The line traverses United States Postal Service ZIP Codes 42327 and 42352 and includes no stations.

The line does not contain federally granted rights-of-way. Any documentation in the railroad's possession will be made available promptly to those requesting it.

The interest of railroad employees will be protected by the labor protective conditions imposed in *Oregon Short Line R. Co.—Abandonment—Goshen*, 360 I.C.C. 91 (1979).

By issuing this notice, the Board is instituting an exemption proceeding pursuant to 49 U.S.C. 10502(b). A final decision will be issued by December 22, 2000.

(49 CFR Part 1201) and to file a variety of reports (49 CFR Part 1241-1248).

¹⁰ Some Class I railroads currently file consolidated reports with the STB.

Any offer of financial assistance (OFA) under 49 CFR 1152.27(b)(2) will be due no later than 10 days after service of a decision granting the petition for exemption. Each offer must be accompanied by a \$1,000 filing fee. See 49 CFR 1002.2(f)(25).

All interested persons should be aware that, following abandonment of rail service and salvage of the line, the line may be suitable for other public use, including interim trail use. Any request for a public use condition under 49 CFR 1152.28 or for trail use/rail banking under 49 CFR 1152.29 will be due no later than October 16, 2000. Each trail use request must be accompanied by a \$150 filing fee. See 49 CFR 1002.2(f)(27).

All filings in response to this notice must refer to STB Docket No. AB-55 (Sub-No. 580X) and must be sent to: (1) Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, NW., Washington, DC 20423-0001; and (2) Natalie S. Rosenberg, 500 Water Street-J150, Jacksonville, FL 32202. Replies to the CSXT petition are due on or before October 16, 2000.

Persons seeking further information concerning abandonment procedures may contact the Board's Office of Public Services at (202) 565-1592 or refer to the full abandonment or discontinuance regulations at 49 CFR part 1152. Questions concerning environmental issues may be directed to the Board's Section of Environmental Analysis (SEA) at (202) 565-1545. [TDD for the hearing impaired is available at 1-800-877-8339.]

An environmental assessment (EA) (or environmental impact statement (EIS), if necessary) prepared by SEA will be served upon all parties of record and upon any agencies or other persons who commented during its preparation. Other interested persons may contact SEA to obtain a copy of the EA (or EIS). EAs in these abandonment proceedings normally will be made available within 60 days of the filing of the petition.

The deadline for submission of comments on the EA will generally be within 30 days of its service.

Board decisions and notices are available on our website at "WWW.STB.DOT.GOV."

Decided: September 15, 2000.

By the Board, David M. Konschink,
Director, Office of Proceedings.

Vernon A. Williams,
Secretary.

[FR Doc. 00-24321 Filed 9-22-00; 8:45 am]

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