

(i) The minimum firm quote size established by an exchange's or association's rules pursuant to paragraph (d)(1) of this section, if such exchange or association does not collect and make available to quotation vendors quotation size and aggregate quotation size under paragraph (b) of this section; or

(ii) The size of the exchange's or association's quotation made available to quotation vendors by such exchange or association under paragraph (b) of this section; and

(2) Revise its bid or offer.

(ii) Notwithstanding paragraph (d)(3)(i) of this section, no responsible broker or dealer shall be obligated to execute a transaction for any subject security if:

(A) Any of the circumstances in paragraphs (c)(3) of this section exist; or

(B) The order for the purchase or sale of a listed option is presented during a trading rotation in that listed option.

(e) *Exemptions.* The Commission may exempt from the provisions of this section, either unconditionally or on specified terms and conditions, any responsible broker or dealer, electronic communications network, exchange, or association if the Commission determines that such exemption is consistent with the public interest, the protection of investors and the removal of impediments to and perfection of the mechanism of a national market system.

3. Section 11Ac1-7 is added to read as follows:

**§ 240.11Ac1-7. Trade-through disclosure rule.**

(a) *Definitions.* For purposes of this section:

(1) The term *complex trade* means a transaction in an options series that is executed in conjunction with a related transaction occurring at or near the same time for the purpose of executing a particular investment strategy.

(2) The term *customer* means any person that is not a registered broker-dealer.

(3) The term *effective national market system plan* shall have the meaning provided in § 240.11Aa3-2 (Rule 11Aa3-2 under the Act).

(4) The term *listed option* shall have the meaning provided in § 240.15c3-1(c)(2)(x)(B)(1).

(5) The term *options class* means all of the put option or call option series overlying a security, as defined in Section 3(a)(10) of the Act.

(6) The term *options series* means the contracts in an options class that have the same unit of trade, expiration date, and exercise price, and other terms or conditions.

(7) The term *receipt* means, with respect to an order sent to an away market displaying a superior price, the time at which the order is either represented in the trading crowd or received by the specialist.

(8) The term *trading rotation* means, with respect to a specified options class at a given exchange, the time period during which opening transactions in individual options series are being completed and continuous trading has not yet commenced in such options class.

(b) *Broker-dealer disclosure requirements.* (1) Any broker or dealer that effects a transaction in a listed option for the account of its customer must disclose to such customer, in conformance with the procedures set forth in § 240.10b-10:

(i) When such transaction is effected at a price that trades through a better price published at the time of execution; and

(ii) That better published price at the time of execution;

(2) A broker-dealer shall not be required to provide the disclosure set forth in paragraph (b)(1) of this section if it effects such transaction on a market that is a participant in an effective national market system options linkage plan that includes provisions reasonably designed to limit the incidence of customer orders being executed at prices that trade through a better published price, including prices published other than by a linkage plan participant.

(3) A customer order is executed at a price that trades through a better published price if:

(i) The price at which an order to purchase a listed option is executed is higher than the lowest offer at the time the order was executed published pursuant to a national market system plan for reporting quotations in listed options; or

(ii) The price at which an order to sell a listed option is executed is lower than the highest bid at the time the order was executed published pursuant to a national market system plan for reporting quotations in listed options.

(4) Notwithstanding paragraph (b)(2) of this section, a customer order is not considered to be executed at a price that trades through a better published price if:

(i) Such better published price cannot be accessed due to a failure, material delay, or malfunction of the systems of the market publishing the better price;

(ii) The quotation price reporting system provided for by the national market system plan for reporting

quotations indicates that it is experiencing queuing;

(iii) Such better published price was published by an exchange whose members are relieved of their obligations under paragraph (c)(2) of § 240.11Ac1-1 because, pursuant to paragraph (b)(3) of § 240.11Ac1-1, such exchange is not required to meet its obligations under paragraph (b)(1) of § 240.11Ac1-1;

(iv) The market publishing such better price is in a trading rotation for that option class;

(v) The customer order is executed during a trading rotation in that options class;

(vi) The customer order is executed as part of a complex trade; or

(vii) The customer order is executed only after the market publishing the better price fails to respond to an order routed to it within 30 seconds of the order's receipt by that market.

Dated: July 28, 2000.

By the Commission.

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 00-19728 Filed 8-3-00; 8:45 am]

BILLING CODE 8010-01-P

## DEPARTMENT OF TRANSPORTATION

### Coast Guard

#### 33 CFR Parts 84 and 183

#### 46 CFR Part 25

[USCG 1999-6580]

RIN 2115-AF70

### Certification of Navigation Lights for Uninspected Commercial Vessels and Recreational Vessels

**AGENCY:** Coast Guard, DOT.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Coast Guard proposes to require that domestic manufacturers of vessels install only certified navigation lights on all uninspected commercial vessels and recreational vessels. This change would align the standards for these lights with those for inspected commercial vessels and with those for all other mandatory safety equipment carried on board all vessels. The Coast Guard expects the resulting reduction in the use of noncompliant lights to improve safety on the water.

**DATES:** Comments and related material must reach the Docket Management Facility on or before October 3, 2000.

**ADDRESSES:** To make sure your comments and related material (referred

to USCG 1999-6580) do not enter the docket more than once, please submit them by only one of the following means:

(1) By mail to the Docket Management Facility, U.S. Department of Transportation, room PL-401, 400 Seventh Street SW., Washington, DC 20590-0001.

(2) By hand to room PL-401 on the Plaza level of the Nassif Building, 400 Seventh Street SW., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The telephone number is 202-366-9329.

(3) By fax to the Docket Management Facility at 202-493-2251.

(4) Electronically through the Web Site for the Docket Management System at <http://dms.dot.gov>.

The Docket Management Facility maintains the public docket for this rulemaking. Comments and material received from the public, as well as documents mentioned in this preamble as being available in the docket, will become part of this docket and will be available for inspection or copying at room PL-401 on the Plaza level of the Nassif Building, at the address listed above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. You may also find this docket on the Internet at <http://dms.dot.gov>.

**FOR FURTHER INFORMATION CONTACT:** For questions on this proposed rule, contact Mr. Randolph J. Doubt, Project Manager, Office of Boating Safety, Coast Guard, by telephone at 202-267-6810 or by e-mail at [rdoubt@comdt.uscg.mil](mailto:rdoubt@comdt.uscg.mil). For questions on viewing or submitting material to the docket, call Ms. Dorothy Beard, Chief of Dockets, Department of Transportation, telephone 202-366-9329.

You may obtain a copy of this notice by calling the U.S. Coast Guard Infoline at 1-800-368-5647 or by accessing either the Web Site for the Office of Boating Safety at <http://www.uscgboating.org>, or the Web Site for the Docket Management Facility at <http://dms.dot.gov>.

#### **SUPPLEMENTARY INFORMATION:**

##### **Request for Comments**

We encourage you to participate in this rulemaking by submitting comments and related material. If you do so, please include your name and address, identify the docket number for this rulemaking (USCG 1999-6580), indicate the specific section of this document to which each comment applies, and give the reason for each comment. You may submit your comments and material by mail, by

hand, by fax, or electronically to the Docket Management Facility at the address under **ADDRESSES**; but please submit them by only one means. If you submit them by mail or by hand, submit them in an unbound format, no larger than 8 1/2 by 11 inches, suitable for copying and electronic filing. If you submit them by mail and want to know they reached the Facility, please enclose a stamped, self-addressed postcard or envelope. We will consider all comments and material received during the comment period. We may change this proposed rule in view of them.

##### **Public Meeting**

We do not plan to hold a public meeting. You may ask for one by submitting a request to the Docket Management Facility at the address under **ADDRESSES** explaining why one would be beneficial. If we determine that a public meeting would aid this rulemaking, we will hold one at a time and place announced by a later notice in the **Federal Register**.

##### **Regulatory History**

The Coast Guard published a notice of proposed rulemaking to establish requirements for approval, certification, installation, and performance of navigation lights on vessels of less than 20 meters in length in the **Federal Register** of September 7, 1978 (43 FR 39946), and a supplemental notice in that of December 29, 1980 (45 FR 85468). It published a notice withdrawing the proposed rulemaking in the **Federal Register** of January 7, 1982 (47 FR 826). It published a request for comments on regulatory control of navigation lights in the **Federal Register** of October 9, 1997 (62 FR 52673).

##### **Background and Purpose**

Until April 1997, a manufacturer of navigation lights for recreational vessels could voluntarily apply for a "Letter of Acceptance" from the U.S. Coast Guard for each model of navigation light marketed. Upon receipt of an application, the Coast Guard would review a laboratory report for the given model, documenting compliance with the technical requirements of the International and Inland Navigation Rules (together, "Navigation Rules"). Basing its judgement solely on the comparison of the report with the rules, the Coast Guard, if it did not object, would state that it did not object to the model being offered for sale and would grant a "Letter of Acceptance," which allowed the manufacturer to state "U.S. Coast Guard Accepted" on the package. This statement the public often confused with "U.S. Coast Guard

Approved." Since April 1997, the Coast Guard no longer issues Letters of Acceptance. Consequently, other than statements provided by the manufacturer, there is no evidence of compliance with the technical requirements of the Navigation Rules available to a manufacturer, surveyor, owner, or inspector of a vessel, or to a boarding official.

Regulatory controls now exist only for lights manufactured specifically for inspected commercial vessels. These appear in 46 CFR subchapter J, which, in part, states that each light must "be certified by an independent laboratory to the requirements of [Underwriters Laboratories, Inc. (UL)] 1104 or an equivalent standard" and be so labeled. The "independent laboratory" must be recognized as bona fide and have been placed on a list by the Coast Guard (that list is available from G-MSE-3 at U.S. Coast Guard Headquarters, 2100 Second Street SW., Washington, DC, 20593-0001). Although lights currently certified for commercial inspected vessels are generally too large for uninspected commercial vessels and recreational vessels, a manufacturer may choose to install them; but none need install them.

The National Boating Safety Advisory Council (NBSAC), representing operators and manufacturers of vessels, State boating officials, and national boating organizations, and the National Association of State Boating Law Administrators (NASBLA) both passed resolutions asking that the Coast Guard initiate a certification program for navigation lights installed on recreational vessels offered for sale to the public. The Navigation Safety Advisory Council (NAVSAC) passed a similar resolution relating to uninspected commercial vessels. UL recommends in the report, "Recreational Boat Collision Accident Research", that the Coast Guard take stronger measures to ensure that navigation lights installed in recreational vessels meet the minimum requirements established by the Navigation Rules.

In response to the request for comments of October 9, 1997, State law-enforcement personnel, vessels' owners, marine professionals (manufacturers and marine surveyors), standard-setting organizations, manufacturers of navigation lights, and a laboratory testing navigation lights all submitted comments. Of the 34 respondents, 28 favored rulemaking. Some expressed concern about installing navigation lights in vessels with bow-high cruising trim angles that tend to obstruct sidelights' visibility. While it would not

require certification of installations of navigation lights, this proposed rule would require that certified lights be installed in compliance with the visibility requirements established by the Navigation Rules.

The rationale published in January 1982 for withdrawing the proposed rulemakings of September 1978 and December 1980 to establish regulatory controls, was that a newly established voluntary standard and Coast Guard enforcement policies eliminated the need for regulation. UL, in response to the request for comment October 9, 1997, advised that, to the contrary, there has been a steady decline in compliance over the past 20 years and that about half of the navigation lights for recreational vessels submitted for evaluation have failed to meet minimum performance requirements established by the Navigation Rules.

In response to the decline in compliance with the technical requirements for navigation lights established by the Navigation Rules, the proposed requirement of certification by third parties would curtail installations of noncompliant lights by providing evidence of compliance for manufacturers, surveyors, owners, inspectors, and boarding officials. The proposed requirement is similar to that for inspected commercial vessels, though less stringent, and aligns with the requirement of the International Navigation Rules (COLREGS) for "Approval" (33 CFR subchapter D, Annex I).

### Discussion of Proposed Rule

The proposed rule draws from rules in 46 CFR subchapter J, Electrical Engineering, which require certification of navigation lights for inspected commercial vessels. It would direct manufacturers of all uninspected commercial vessels and recreational vessels to install only lights certified and labeled as meeting the technical requirements of the Navigation Rules. It would designate laboratories listed by the Coast Guard the certifying authorities for navigation lights. It would supply the section of the Inland Navigational Rules, Annex I, "Approval" (33 CFR 84.25), currently reserved, by establishing a requirement for certification of all navigation lights, while a subsequent amendment to Inland Navigation Rule 38 (Exemptions) would address requirements for owners and operators of existing vessels to allow for lights installed before its effective date.

The proposed changes are as follows:

(1) Add 33 CFR 84.25 to require that the construction of lights and shapes

and the installation of lights meet requirements established by the Commandant.

(2) Add 33 CFR 183.465 to set forth the performance standard for certification of navigation lights for recreational vessels, adapting the standard from existing rules in 46 CFR subchapter J, for inspected commercial vessels.

(3) Add 46 CFR subpart 25.10, consisting solely of § 25.10-1, to set forth the performance standard for certification of navigation lights for uninspected commercial vessels, again adapting from 46 CFR subchapter J the standard for inspected commercial vessels.

To allow for the use of lights that may already be in stock, no rule would become effective until one year after publication of a final rule.

### Regulatory Evaluation

This proposed rule is not a "significant regulatory action" under section 3(f) of Executive Order 12866 and does not require an assessment of potential costs and benefits under section 6(a)(3) of that Order. The Office of Management and Budget (OMB) has not reviewed this rule under that Order. We expect the economic effect of this proposed rule to be so minimal that a full Regulatory Evaluation under paragraph 10(e) of the regulatory policies and procedures of DOT is unnecessary.

### Costs of the Proposed Rule

(1) Manufacturers of navigation lights would incur initial costs associated with laboratory testing of each model of light for compliance with the Navigation Rules. This could result in minor increases in market prices for certified lights. Those manufacturers would pass increases on to manufacturers of boats and eventually on to consumers. However, these increases should be so small that their effect on manufacturers of boats and on consumers should be negligible. Of the roughly 4,400 manufacturers of recreational boats in the United States, 90% install navigation lights on their boats. There are 6 different types of lights on the market, and each of their manufacturers may make multiple models of each type. Through a survey of the lights now available, we have determined that each manufacturer produces an average of 10 models for each type and introduces 3 new models a year. Certification would entail that a representative light of production quality, for each model, pass a performance test. We have identified 9 domestic manufacturers of lights that this rule might affect.

In conversations with the two testing laboratories approved by the Coast Guard, UL and Imanna Laboratory, we developed an estimate of \$500 for a performance test of each model. These laboratories do offer a volume discount for multiple models tested, and this discount would decrease the cost for a test of each model to about \$400. We would therefore calculate the cost of this rule as follows:

6 types of light × 10 models of light × 9 manufacturers × \$400 per test of each model = \$216,000.

To account for the one-year phase-in period, we had to determine the present value of this cost. The Department of Transportation uses a standard discount rate of 7%. The calculation is as follows:  $(\$216,000)/(1.07)^1 = \$201,869.16$ .

This figure would be the one-time cost for existing models of lights. However, if a manufacturer decided to introduce a new model of light, the manufacturer would have to have that model tested by a laboratory approved by the Coast Guard before the manufacturer could send it to market.

We must also account for the 3 new models of light that each manufacturer sends to market each year. We will sum 15 years of cost using a discount rate of 7%:

$\Sigma [(9 \text{ manufacturers} \times 3 \text{ new models} \times \$400)/(1.07)^n], n=2 * * * 15 = \$80,663.80$ .

The total cost of labeling over 15 years would be:

$\$201,869.16 + \$80,663.80 = \$282,532.96$ .

(2) Manufacturers of navigation lights would have to offer new labeling with the certified lights. Most of it would be printable on an insert or on a sticker on a package (it is described in proposed 33 CFR 183.465). This proposed rule would not involve modification of the package to accommodate the labeling. We have gathered estimates from labeling companies, and we have determined that the manufacturer would pay about \$240 for 1,000 labels. We will assume that each model of light needs 1,000 labels. Each of the 9 manufacturers produces an average of 10 models for each of 6 types and expects to introduce 3 new models a year. The calculations will be as follows:

$[(9 \text{ manufacturers} \times 10 \text{ models for each type} \times 6 \text{ types} \times \$200/1,000 \text{ labels} \times 1,000 \text{ labels})/(1+0.7)^1] + \Sigma [(9 \text{ manufacturers} \times 3 \text{ new models} \times \$200/1,000 \text{ labels} \times 1,000 \text{ labels})/(1.07)^n], n=2 * * * 15 = \$145,072.04$ .

This rule would also require that each light be marked "USCG" followed by the tested range of visibility, such as "2

nm", to indicate compliance. We believe that manufacturers are already marking their lights and own the necessary equipment for marking them, so this requirement should not impose any added costs.

#### *Benefits of the Proposed Rule*

(1) Certification would place navigation lights under regulatory control comparable to that affecting all other items of mandatory safety equipment. This would result in a general improvement in reliability, quality, and effectiveness of such lights, domestic and imported, available to domestic manufacturers of vessels.

(2) Certification would discourage the practice of installing lights that are custom-made by the manufacturer of a vessel but that have proved to be basically noncompliant with the Navigation Rules.

(3) Certification markings would provide evidence for manufacturers, surveyors, owners, and inspectors of vessels, or for boarding officials, in assessing the legality of installed lights.

(4) Certification would facilitate exports to countries enforcing the requirement of the COLREGS for approval of navigation lights (Annex I, 14.)

#### **Small Entities**

Under the Regulatory Flexibility Act [5 U.S.C. 601–612], we considered whether this proposed rule would have a significant economic effect on a substantial number of small entities. The term "small entities" comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000. The Small Business Administration (SBA) has set up size standards for each SIC code based on the number of employees or annual receipts. The only type of small entity that this rule would affect would be small businesses. Four out of the nine manufacturers of navigation lights qualify as small businesses by the size standards of the SBA. However, we have observed that the four businesses we have identified as small offer fewer models of each type of light than their larger competitors. These four offer between 1 and 5 models of each type, which is well below the average of 10 models each. Therefore, we do not believe that they would bear a disproportionate amount of the burden of this rule. They have annual revenues of \$2.5m–\$5.0m; \$5.0m–\$10m; \$10m–\$20m; and \$20m–\$50m. Therefore, the greatest possible cost of testing for one

of these four ( $\$400 \times 6$  light types  $\times 5$  models per type = \$12,000) would be only .05% of the annual revenues of even the smallest company. This would not impose a significant burden on these companies, and it would not create a barrier to entry for companies that wish to enter the industry.

Therefore, the Coast Guard certifies under 5 U.S.C. 605(b) that this proposed rule would not have a significant economic impact on a substantial number of small entities. If you think that your business, organization, or governmental jurisdiction qualifies as a small entity and that this rule would have a significant economic effect on it, please submit a comment to the Docket Management Facility at the address under **ADDRESSES**. In your comment, explain why you think it qualifies and how and to what degree this rule would affect it.

#### **Assistance for Small Entities**

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 [Pub. L. 104–121], we want to assist small entities in understanding this proposed rule so that they can better evaluate its effect on them and participate in the rulemaking. If the rule would affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please contact Randolph J. Doubt, Project Manager, Office of Boating Safety, by telephone at (202) 267–6810 or by e-mail at [rdoubt@comdt.uscg.mil](mailto:rdoubt@comdt.uscg.mil).

#### **Collection of Information**

This proposed rule would call for a new collection of information under the Paperwork Reduction Act of 1995 [44 U.S.C. 3501–3520]. As defined in 5 CFR 1320.3(c), "collection of information" comprises reporting, recordkeeping, monitoring, posting, labeling, and other similar actions. The title and description of the collections, a description of those who perform them, and an estimate of the total annual burden follow. The estimate covers the time for submitting a new model of light to the third-party certifier and for designing a label for each model of light.

#### **Summary of the Collection of Information**

The proposed rule would impose a new burden of collection of information on manufacturers of navigational lights for uninspected commercial vessels and recreational vessels. Each manufacturer of the lights would incur a one-time burden of submitting paperwork to the

third-party certifier and of designing labeling for each model of light.

#### **Need and Proposed Use for Information**

This collection of information is necessary to accomplish the third-party certification and the labeling. The third party certifier would use the information to document and test the models of lights. Once the model had passed performance testing, the manufacturer of the light would design and provide a label for its product so the consumer would know that the product was certified.

#### **Description of Respondents**

This collection of information would affect the current manufacturers of navigational lights for recreational and uninspected vessels. It would also affect any future manufacturers that may enter the market.

#### **Number of Respondents**

There are 9 manufacturers of lights in the market. This collection of information will affect them all.

#### **Frequency of Response**

This collection would take place only when a manufacturer undertook to place a new light model on the market.

#### **Burden of Response**

We estimate that it would take one employee about one hour to prepare the paperwork to submit a light for performance tests. He or she would be an administrative assistant and, as such, would cost around \$24 an hour. If each of these manufacturers submitted three new models of lights for testing each year, the burden for the submitted would be 27 hours and \$648.

We also estimate that it would take one employee about one hour to update the labeling for each new model. He or she, too, would cost around \$24 an hour. The burden for the labeling requirement would likewise be 27 hours and \$648 if each of the nine manufacturers submitted 3 new models for testing each year.

#### **Estimate of Total Annual Burden**

Using the above estimates, the total burden in hours would be 54 and the total cost would be \$1,296.

As required by the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)), we have submitted a copy of this proposed rule to the Office of Management and Budget (OMB) for its review of the collection of information. We ask for public comment on the proposed collection of information to help us determine how useful the information is; whether it can help us

perform our functions better; whether it is readily available elsewhere; how accurate our estimate of the burden of collection is; how valid our methods for determining burden are; how we can improve the quality, usefulness, and clarity of the information; and how we can minimize the burden of collection.

If you submit comments on the collection of information, submit them both to OMB and to the Docket Management Facility where indicated under **ADDRESSES**, by the date under **DATES**.

You need not respond to a collection of information unless it displays a currently valid control number from OMB. Before the requirements for this collection of information become effective, we will publish notice in the **Federal Register** of OMB's decision to approve, modify, or disapprove the collection.

### Federalism

We have analyzed this proposed rule under E.O. 13132 and have determined that this rule does not have implications for federalism under that Order.

### Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 [2 U.S.C. 1531–1538] governs the issuance of Federal rules that impose unfunded mandates. An unfunded mandate is a rule that requires a State, local, or tribal government or the private sector, to incur direct costs without the Federal Government's having first provided the funds to pay those costs. This proposed rule would not impose an unfunded mandate.

### Taking of Private Property

This proposed rule would not effect a taking of private property or otherwise have taking implications under E.O. 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights.

### Reform of Civil Justice

This proposed rule meets applicable standards in sections 3(a) and 3(b)(2) of E.O. 12988, Civil Justice Reform, to minimize litigation, eliminate ambiguity, and reduce burden.

### Protection of Children

We have analyzed this proposed rule under E.O. 13045, Protection of Children from Environmental Health Risks and Safety Risks. This rule is not an economically significant rule and does not concern an environmental risk to health or risk to safety that may disproportionately affect children.

### Environment

We have considered the environmental impact of this proposed rule and concluded that, under figure 2–1, paragraph (34)(d), of Commandant Instruction M16475.1C, this rule is categorically excluded from further environmental documentation. A requirement for certification of navigation lights should not have any environmental impact. A Determination of Categorical Exclusion is available in the docket where indicated under **ADDRESSES**.

### List of Subjects

#### 33 CFR Part 84

Navigation (water), Waterways.

#### 33 CFR Part 183

Marine Safety.

#### 46 CFR Part 25

Fire prevention, Incorporation by reference, Marine safety, Reporting and recordkeeping requirements.

For the reasons discussed in the preamble, the Coast Guard proposes to amend 33 CFR parts 84 and 183, and 46 CFR part 25, as follows:

### 33 CFR PART 84—ANNEX I: POSITIONING AND TECHNICAL DETAILS OF LIGHTS AND SHAPES

1. The citation of authority for part 84 continues to read as follows:

**Authority:** 33 U.S.C. 2071; 49 CFR 1.46.

2. Add text to § 84.25 to read as follows:

#### § 84.25 Approval.

The construction of lights and shapes and the installation of lights on board the vessel must satisfy the Commandant.

### 33 CFR PART 183—BOATS AND ASSOCIATED EQUIPMENT

3. The citation of authority for part 183 continues to read as follows:

**Authority:** 46 U.S.C. 4302; 49 CFR 1.46.

4. Add § 183.465 to read as follows:

#### § 183.465 Navigation light: Standard.

(a) Except as provided by paragraph (b) of this section, each navigation light must—

(1) Meet the technical standards of the applicable Navigation Rules;

(2) Be certified by a laboratory listed by the Coast Guard to the standards of UL 1104 or equivalent, although portable battery-powered lights need only meet the requirements of the standard applicable to them; and

(3) Bear a label stating the following:

(i) USCG Approval 183.465.

(ii) “MEETS \_\_\_\_\_.” (Insert the identification name or number of the standard under paragraph (a)(2) of this section, to which the laboratory type-tested.)

(iii) “TESTED BY \_\_\_\_\_.” (Insert the name or registered certification-mark of the laboratory listed by the Coast Guard that tested the fixture to the standard under paragraph (a)(2) of this section.)

(iv) Name of manufacturer.

(v) Number of model.

(vi) Visibility of the light in nautical miles.

(vii) Date on which the light was type-tested.

(viii) Identification of the bulb used in the compliance test.

(b) If a light is too small to attach the required label—

(1) Place the information from the label in or on the package that contains the light; and

(2) Mark each light “USCG” followed by the certified range of visibility in nautical miles, for example, “USCG 2nm”. This mark must be visible, without removal of the light, once installed.

### 46 CFR PART 25—REQUIREMENTS

5. The citation of authority for part 25 continues to read as follows:

**Authority:** 33 U.S.C. 1903(b); 46 U.S.C. 3306, 4302; 49 CFR 1.46.

6. Add subpart 25.10, consisting of § 25.10–1, to read as follows:

#### Subpart 25.10—Navigation Lights

##### § 25.10–1 Requirements.

(a) Except as provided by paragraph (b) of this section, each navigation light must—

(1) Meet the technical standards of the applicable Navigation Rules;

(2) Be certified by a laboratory listed by the Coast Guard to the standards of UL 1104 or equivalent, although portable battery-powered lights need only meet the requirements of the standard applicable to them; and

(3) Bear a label stating the following:

(i) USCG Approval 183.465

(ii) “MEETS \_\_\_\_\_.” (Insert the identification name or number of the standard under paragraph (a)(2) of this section, to which the light was type-tested.)

(iii) “TESTED BY \_\_\_\_\_.” (Insert the name or registered certification-mark of the laboratory listed by the Coast Guard that tested the fixture to the standard under paragraph (a)(2) of this section.)

(iv) Name of Manufacturer.

- (v) Number of Model.
- (vi) Visibility of the light in nautical miles.
- (vii) Date on which the light was type-tested.

(viii) Identification of bulb used in the compliance test.

(b) If a light is too small to attach the required label—

(1) Place the information from the label in or on the package that contains the light; and

(2) Mark each light “USCG” followed by the certified range of visibility in nautical miles, for example, “USCG 2nm”. This mark must be visible, without removal of the light, once installed.

Dated: July 25, 2000.

**Terry M. Cross,**

*Rear Admiral, U.S. Coast Guard, Assistant Commandant for Operations.*

[FR Doc. 00–19835 Filed 8–3–00; 8:45 am]

BILLING CODE 4910–15–U

## FEDERAL COMMUNICATIONS COMMISSION

### 47 CFR Part 54

[CC Docket No. 96–45; FCC 00–208]

#### **Federal-State Joint Board on Universal Service: Promoting Deployment and Subscribership in Unserved and Underserved Areas, Including Tribal and Insular Areas**

**AGENCY:** Federal Communications Commission.

**ACTION:** Notice of proposed rules.

**SUMMARY:** In this document, the Commission seeks comment on the adoption of a rule that would require resolution of the merits of any request for designation as an eligible telecommunications carrier under section 214(e) of the Telecom Act, filed either with this Commission or a state commission, to be resolved within six months of the filing date, or some shorter period. We also seek comment on alternative methods by which state commissions, tribal authorities, and this Commission can work together to further facilitate the expeditious resolution of designation requests from carriers serving tribal lands.

**DATES:** Comments are due August 7, 2000 and reply comments are due August 28, 2000.

**FOR FURTHER INFORMATION CONTACT:** Gene Fullano, Attorney, Common Carrier Bureau, Accounting Policy Division, (202) 418–7400.

**SUPPLEMENTARY INFORMATION:** This is a summary of the Commission’s Further

Notice of Proposed Rulemaking in CC Docket No. 96–45 released on June 30, 2000. The full text of this document is available for public inspection during regular business hours in the FCC Reference Center, Room CY–A257, 445 Twelfth Street, SW., Washington, DC, 20554.

### **I. Introduction**

1. In this Further Notice of Proposed Rulemaking, we seek comment on the adoption of a rule that would require resolution of the merits of any request for designation as an eligible telecommunications carrier under section 214(e) of the Telecom Act, filed either with this Commission or a state commission, to be resolved within six months of the filing date, or some shorter period. We also seek comment on alternative methods by which state commissions, tribal authorities, and this Commission can work together to further facilitate the expeditious resolution of designation requests from carriers serving tribal lands.

2. The Commission will take action in a further proceeding to address the remaining issues raised in the Further Notice of Proposed Rulemaking (FNPRM), 64 FR 52738 (September 30, 1999), that are not addressed in this Further Notice of Proposed Rulemaking. In particular, we will continue to examine and address the causes of low subscribership in other areas and among other populations, especially among low-income individuals in rural and insular areas. In addition, in areas where the cost to deploy telecommunications facilities is significantly above the national average, we anticipate that additional action may be necessary to encourage such deployment. Providing appropriate incentives for the deployment of facilities in such locations will be central to the issues that we will address, in consultation with the Federal-State Joint Board on Universal Service (Joint Board) in our consideration of rules to implement section 214(e)(3) of the Telecom Act and in considering the recommendations of the Joint Board for high-cost universal service reform for rural carriers.

### **II. Further Notice of Proposed Rulemaking**

3. *Deadline for Resolving Section 214(e) of the Telecom Act Designation Requests.* In this Further Notice of Proposed Rulemaking, we seek comment on the imposition of a time limit during which requests for designation as an eligible telecommunications carrier under section 214(e) of the Telecom Act, filed

either with this Commission or a state commission, must be resolved. As noted, we are concerned that lengthy delays in addressing requests for designation may hinder the availability of affordable telecommunications services in many high-cost areas of the Nation. We believe it is unreasonable to expect a prospective entrant to enter a high-cost market and provide service in competition with an incumbent carrier that is receiving support, without knowing whether it is eligible to receive support. If new entrants do not have the same opportunity to receive universal service support as the incumbent, such carriers may be unable to provide service and compete with the incumbent in high-cost areas. As the Commission has previously concluded, competitively neutral access to such support is critical to ensuring that all Americans, including those that live in high-cost areas, have access to affordable telecommunications services. We believe such a result to be contrary to Congress’ intent in adopting section 254 of the Telecom Act.

4. We therefore seek comment on whether to adopt a rule that would require resolution of the merits of any request for designation under section 214(e) of the Telecom Act within a six-month period, or some shorter period. In addition, we seek comment on whether to require a similar time limit for the resolution of the jurisdictional issues associated with requests for eligibility designations on tribal lands, and what that time limit should be. We intend to consult with members of the Joint Board on this issue and invite comment from the Joint Board and interested parties. We also seek on comment on the Commission’s authority to enforce any such requirement imposed on state commissions. For example, we seek comment on our authority under sections 201(b), 253, 254 of the Telecom Act, or *AT&T v. Iowa Utilities Board* to enforce any deadline imposed on resolution of requests for eligibility designations under section 214(e) of the Telecom Act.

5. *Alternative Frameworks for Resolving Designation Requests.* In light of the immediate need for expeditious resolution of designation requests from carriers serving tribal lands, we have adopted a framework for resolving designation requests filed at the Commission under section 214(e)(6) of the Telecom Act. This framework is designed to streamline the process for designation of eligible telecommunications carriers serving tribal lands in order to expedite the availability of affordable telecommunications services to tribal