least equal to that provided to American owners by S4.1(j).

**The Public Interest and Safety**

MBUSI argued that the exemption ''would be helpful in improving the trade deficit currently being suffered by the United States,'' possessing the potential to expand into other lines. The owners of exempted M Class vehicles will contribute to local economies during their sojourn in the United States. Advocates argued that foreign tourists will continue to visit the United States and contribute to local economies if the application is denied. Although it may be in the public interest to encourage sales of products made in this country, particularly those that are exclusively made in the United States such as the M Class, this is not a factor that NHTSA considers in its regulatory decisions under the vehicle safety law.

Advocates contends that MBUSI's application ''makes only superficial and conclusory assertions that the vehicles will provide safety equal to that of vehicles built to all U.S. standards.'' Based on our review of the MBUSI petition, as supplemented by materials submitted in response to our request, we conclude that MBUSI has adequately supported its request.

An exemption from the standards would be consistent with motor vehicle safety since the exempted vehicles possess an overall level of safety at least equal to that of nonexempted vehicles and will only be used for a limited time in the United States in any event.

**Decision**

In consideration of the foregoing, it is hereby found that compliance with each of the standards discussed above would prevent the manufacturer from selling a motor vehicle with an overall safety level at least equal to the overall safety level of nonexempt vehicles, and that an exemption is consistent with the public interest and motor vehicle safety. Accordingly, Mercedes-Benz U.S. International, Inc., is hereby granted NHTSA Temporary Exemption No. 99–3, expiring May 1, 2001, for M Class vehicles, from: providing the word ''brake'' required by Table 2 of 49 CFR 571.101 Standard No. 101 *Controls and Displays,* requirements for side marker lamps and reflectors, and headlamps complying with S7 of 49 CFR 571.108 Standard No. 108 *Lamps, Reflective Devices, and Associated Equipment,* S5.4.2 of 49 CFR 571.111 Standard No. 111 *Rearview Mirrors,* S5.3 of 49 CFR 571.120 Standard No. 120 *Tires for Vehicles Other Than Passenger Cars,* and S4.1(j) of 49 CFR 571.209 Standard No. 209 *Seat Belt Assemblies.*

**Authority:** 49 U.S.C. 30113; delegation of authority at 49 CFR 1.50.

Issued on: May 26, 1999.

**Ricardo Martinez,**

*Administrator.*

[FR Doc. 99–13896 Filed 6–1–99; 8:45 am]

BILLING CODE 4910–59–P

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## DEPARTMENT OF TRANSPORTATION

## National Highway Traffic Safety Administration

## Petition for Modification of Exemption From the Vehicle Theft Prevention Standard; General Motors Corporation

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

**ACTION:** Grant of a petition for modification for previously approved antitheft devices.

**SUMMARY:** This agency granted in part General Motors Corporation's (GM) petitions for exemption from the parts-marking requirements of the vehicle theft prevention standard on April 27, 1990, April 9, 1991 and March 26, 1992, for the Cadillac DeVille, Pontiac Bonneville, and Buick LeSabre car lines, respectively. On August 25, 1993, this agency granted in full General Motors Corporation's (GM) petition for exemption from the parts-marking requirements of the vehicle theft prevention standard for the Oldsmobile Aurora car line. This notice grants in full GM's petition for modification of the previously approved antitheft device for the Aurora car line, and provides for full exemption of three car lines (Cadillac DeVille, Pontiac Bonneville, and Buick LeSabre) that were previously granted partial exemptions. The agency grants this petition because it has determined, based on substantial evidence, that the modified antitheft device described in GM's petition to be placed on the car lines as standard equipment, is likely to be as effective in reducing and deterring motor vehicle theft as compliance with the parts-marking requirements.

**DATES:** The exemption granted by this notice is effective beginning with model year (MY) 2000.

**FOR FURTHER INFORMATION CONTACT:** Ms. Rosalind Proctor, Office of Planning and Consumer Programs, NHTSA, 400 Seventh Street, S.W., Washington, DC 20590. Ms. Proctor's telephone number is (202) 366–4807. Her fax number is (202) 493–2739.

**SUPPLEMENTARY INFORMATION:** In April 1990, NHTSA published in the **Federal Register** a notice granting in part the petition from General Motors Corporation (GM) for an exemption from the parts-marking requirements of the Theft Prevention Standard (49 CFR Part 541) for the model year MY 1991 Cadillac DeVille. The DeVille car line was equipped with the ''PASS-Key'' antitheft device. (See 55 FR 17854, April 27, 1990). In April 1991, NHTSA published in the **Federal Register** a notice granting in part the petition from General Motors Corporation (GM) for an exemption from the parts-marking requirements of the Theft Prevention Standard (49 CFR Part 541) for the model year MY 1992 Pontiac Bonneville. The Bonneville car line was equipped with the ''PASS-Key'' antitheft device. (See 56 FR 14413, April 9, 1991). In March 1992, NHTSA published in the **Federal Register** a notice granting in part the petition from General Motors Corporation (GM) for an exemption from the parts-marking requirements of the Theft Prevention Standard (49 CFR Part 541) for the model year MY 1993 Buick LeSabre. The LeSabre car line was equipped with the ''PASS-Key II'' antitheft device. (See 57 FR 10517, March 26, 1992). In August 1993, NHTSA published in the **Federal Register** a notice granting in full the petition from General Motors Corporation (GM) for an exemption from the parts-marking requirements of the Theft Prevention Standard (49 CFR Part 541) for the model year 1995 Oldsmobile Aurora. The Aurora car line was equipped with the ''PASS-Key II'' antitheft device. (See 58 FR 44872, August 25, 1993).

The agency granted partial exemptions for the Cadillac DeVille, Pontiac Bonneville and Buick LeSabre lines at that time because the devices lacked an audible and visual alarm system. As such, the GM systems lacked, as standard equipment, an important feature that the agency has defined in its rulemaking on Part 543 as one of several attributes which contribute to the effectiveness of an antitheft device: automatic activation of the device; an audible or visual signal that is connected to the hood, doors, and trunk, and draws attention to vehicle tampering; and a disabling mechanism designed to prevent a thief from moving a vehicle under its own power without a key. The lack of an audible or visual warning device made the agency uncertain as to whether the device would be as effective as parts marking in deterring theft of these vehicles. Consequently, the agency believed that because of the lack of theft data and information available at that time for lines installed with antitheft

devices that did not have an audible or visual alarm system, GM should be granted a partial rather than full exemption. Therefore, GM was required to mark the lines' engine and transmission only.

The ''PASS-Key'' theft deterrent system utilized an ignition key, an ignition lock cylinder and a decoder module. The conventional mechanical code permits the key to release the steering wheel and transmission shift lever locks. Before the vehicle can be started the electrical resistance of a pellet embedded in the shank of the key must be sensed by elements in the lock cylinder and its value compared to a fixed resistance in the decoder module located in the instrument panel in the passenger compartment. If the key pellet has the proper resistance, the starter enable relay is energized and a discrete signal is transmitted to the electronic control module. If a key other than the one with the proper resistance for that vehicle is inserted, the decoder module will shut down for two to four minutes. Use of any keys with different resistance pellets will cause the time to recycle and begin again with each failed attempt. The components are located in the passenger compartment behind the instrument panel, with the exception of the starter solenoid/starter motor combination which is physically located in the engine compartment.

GM's ''PASS-Key II'' device, used on the Oldsmobile Aurora beginning in the1995 model year, utilizes an ignition key, an ignition lock cylinder and a decoder module and is passively activated. Unlike the ''PASS-Key'', in the ''PASS-Key II'', if a key other than the one with proper resistance for the vehicle is inserted, the decoder module will shut down the fuel injector pulses to the engine for three minutes plus or minus eighteen seconds. In the ''PASS-Key'' this shut down period is two to four minutes. Additionally, if during the time the decoder module has shut down in ''PASS-Key II,'' trial and error attempts are made to start the engine with various keys, the timer for the decoder module does not reset back to zero.

''PASS-Key II'' is a modification of the ''PASS-Key'' theft deterrent system. Since August 1989, the agency has determined that the ''PASS-Key'' system, installed as standard equipment, will likely be as effective reducing and deterring motor vehicle theft as compliance with the theft prevention standard (see 54 FR 33655, August 15, 1989). In a February 7, 1992 letter to GM, the agency determined that changes in the ''PASS-Key II'' constituted a de minimis change in the ''PASS-Key'' system, which was the basis for the agency's previous granting of a partial theft exemption for car lines that had, as standard equipment, the ''PASS-Key'' system.

GM stated that for MY 2000, the ''PASS-Key III'' antitheft device to be used on the Cadillac DeVille, Pontiac Bonneville, Buick LeSabre and Oldsmobile Aurora car lines will utilize more advanced technology than the ''PASS-Key'' or ''PASS-Key II'' devices. The ''PASS-Key III'' device will add new features and refinements to some of the previous ''PASS-Key/PASS-Key II'' components. As with the ''PASS-Key'' and ''PASS-Key II'' antitheft devices, the ''PASS-Key III'' device will remain fully functional once the ignition has been turned off and the key has been removed. No operator action will be required other than removing the key. The ''PASS-Key III'' will also use a special ignition key and decoder module. The conventional mechanical key unlocks and releases the steering wheel and transmission lever. However, before the vehicle can be operated, the key's electrical code must be sensed by the key cylinder and properly decoded by the decoder module.

GM stated that the transponder, now embedded in the head of the key for the ''PASS-Key III'' device, is stimulated by a coil surrounding the key cylinder. The transponder in the key then emits a modulated signal at a specified radio frequency. The identity of the key is an integral and unique code within the modulated signal. The key cylinder coil receives and sends the modulated signal to the decoder. When the decoder module recognizes a valid key code, it sends an encoded message to the Powertrain Control Module (PCM) to enable fuel flow and starter operation. If an invalid key is detected, the ''PASS-Key III'' decoder module will transmit a different password to the PCM to disable fuel flow and starter operation.

The ''PASS-Key III'' device has the potential for over four trillion unique electrical key codes. GM states that the sheer volume of these codes is a highly effective deterrent to the common intruder. If an invalid key is detected, the ''PASS-Key'' was designed to shut down for two to four minutes and, the ''PASS-Key II'' for three minutes plus or minus eighteen seconds, preventing further attempts at starting the vehicle during that shutdown. GM believes that the time-consuming task of attempting to defeat a device having over four trillion key codes by a trial-and-error method eliminates the need for such an extensive shutdown period.

The ''PASS-Key III'' antenna will be located in the ignition switch assembly, and the decoder module will be mounted behind the instrument panel for the MY 2000 Oldsmobile Aurora and Pontiac Bonneville. The ''PASS-Key III'' decoder module and antenna will be located in the steering column for the MY 2000 Cadillac DeVille and Buick LeSabre lines. GM stated that the device cannot be defeated by removing and then subsequently reapplying vehicle power. Additionally, GM stated that replacement of the decoder module will not defeat the device because of its decoder module password.

GM stated that the ''PASS-Key III'' device has been designed to enhance the functionality and theft protection of the first and second-generation ''PASS-Key'' and ''PASS-Key II'' devices. However, as in the first and second-generation ''PASS-Key'' devices, the ''PASS-Key III'' device does not provide an alarm, either audible or visual to attract the attention to the efforts of an unauthorized person to enter or move the vehicle by means other than a key (49 CFR § 543.6(a)(3)(ii)). To substantiate its belief that an alarm system is not a necessary feature to effectively deter the theft of a vehicle, GM compared the reduction in thefts for Corvettes equipped with a passive antitheft device with an audible/visible alarm feature, and the Chevrolet Camaro and Pontiac Firebird car lines equipped with a passive antitheft device without an alarm feature. Results of the GM comparison indicate that the lack of an alarm feature did not reduce the effectiveness of the anti-theft system. In fact, while there was a 24 percent reduction in thefts of Corvettes, the Camaro and Firebird car lines experienced theft reductions of 66 and 69 percent respectively.

The following GM car lines have the ''PASS-Key'' device as standard equipment and have been exempted in part from the requirements of 49 CFR Part 541: the Chevrolet Camaro and Pontiac Firebird, beginning with MY 1990 (See 54 FR 33655, August 15, 1989); the Cadillac DeVille/Fleetwood and Oldsmobile 98, beginning with MY 1991 (See 55 FR 17854, April 27, 1990); and the Pontiac Bonneville and Buick Park Avenue, beginning with MY 1992 (See 56 FR 14413, April 9, 1991). NHTSA has also granted exemptions in part for the following GM car lines that have ''PASS-Key II'' as standard equipment: the Oldsmobile 88 Royale and Buick LeSabre, beginning with MY 1993 (See 57 FR 10517, March 26, 1992) and the Cadillac Eldorado and Cadillac Seville, beginning with MY 1994 (see 58 FR 11659, February 26, 1993).

Since deciding those petitions, the agency has become aware that theft data

show declining theft rates for GM vehicles equipped with either version of the ''PASS-Key'' device. A comparison of theft data for car lines incorporating the ''PASS-Key'' and ''PASS-Key II'' devices do not show that the lack of an audible or visual alarm system detracts from the effectiveness of the ''PASS-Key'' and ''PASS-Key II'' devices. The agency believes that the data show that over time, despite the absence of an audible or visual alarm system, the ''PASS-Key'' and ''PASS-Key II'' devices, when placed on car lines as standard equipment, are as likely to be as effective in deterring and reducing motor vehicle theft as compliance with the parts-marking requirements.

Based on this information, the agency has granted two GM petitions for full exemptions for car lines equipped with the ''PASS-Key II'' antitheft device. Those lines are the Chevrolet Lumina and Buick Regal car lines, beginning with the 1997 model year (See 60 FR 25938, May 15, 1995) and the Buick Riviera and Oldsmobile Aurora car lines, beginning with the 1995 model year (See 58 FR 44872, August 25, 1993). In both of those instances, the agency concluded that a full exemption was warranted because the ''PASS-Key II'' device had shown itself to be as likely as parts marking to be effective protection against theft despite the absence of a visual or audible alarm. NHTSA has also granted two exemptions in full for car lines which have the ''PASS-Key III'' device as standard equipment. Those lines are the Buick Park Avenue (See 61 FR 25734, May 22, 1996) beginning with the 1997 model year and the Cadillac Seville beginning with the 1998 model year (See 62 FR 20058, April 24, 1997).

To ensure reliability and durability of the device, GM stated that it conducted tests based on its own specified standards. GM provided a detailed list of specific tests used to validate the integrity, reliability and durability of the ''PASS-Key III'' device. GM stated that the ''PASS-Key III'' device complied with the specified requirements for each test.

To substantiate its beliefs as to the effectiveness of the ''PASS-Key III'' antitheft device, GM referenced data which provide the basis for GM's confidence that the ''PASS-Key III'' system will be effective in reducing and deterring motor vehicle theft that are contained in the response of the American Automobile Manufacturers Association to Docket 97–042; Notice 1 (NHTSA Request for Comments on its preliminary report to Congress on the Anti Car Theft Act of 1992 and the Motor Vehicle Theft Law Enforcement Act of 1984).

Additionally, GM compared its MY 2000 antitheft modification to similar devices that have previously been granted exemptions by the agency. GM stated that theft data have indicated a decline in theft rates for vehicle lines that have been equipped with the ''PASS-Key''-like systems which have exemptions from the parts-marking standard greater than that for earlier models which were parts marked. ''PASS-Key'' was made standard on the Camaro, Firebird, Seville and Eldorado beginning with MY 1989 and on Eldorado beginning with MY 1989 and on the DeVille/Fleetwood beginning with 1990. The data provided by GM were reported by the Federal Bureau of Investigation's National Crime Information Center (NCIC), which is NHTSA's official source of theft data (See 50 FR 46666, November 12, 1985). The NCIC receives reports on all thefts.

GM believes that based on the reduced theft rates of its ''PASS-Key'' and ''PASS-Key II'' equipped car lines and the proven theft-deterrence success of transponder electronics security, the ''PASS-Key III'' device to be introduced on the MY 2000 Cadillac DeVille, Pontiac Bonneville, Buick LeSabre and Oldsmobile Aurora lines is likely to be more effective in reducing and deterring motor vehicle theft than compliance with the parts marking requirements of 49 CFR Part 541.

The agency believes that there is substantial evidence indicating that the modified antitheft device to be installed as standard equipment on the MY 2000 Cadillac DeVille, Pontiac Bonneville, Buick LeSabre and Oldsmobile Aurora car lines will likely be as effective in reducing and deterring motor vehicle theft as compliance with the requirements of the Theft Prevention Standard (49 CFR Part 541). This determination is based on the information that GM submitted with its petition and on other available information. The agency believes that the modified device will continue to provide four of the five types of performance listed in Section 543.6(a)(3): promoting activation; preventing defeat or circumventing of the device by unauthorized persons; preventing operation of the vehicle by unauthorized entrants; and ensuring the reliability and durability of the device.

As required by 49 CFR Section 543.6(a)(4), the agency also finds that GM has provided adequate reasons for its belief that the modified antitheft device will reduce and deter theft. This conclusion is based on the information GM provided on its ''PASS-Key III'' device. This information included a description of reliability and functional tests conducted by GM for the ''PASS-Key III'' antitheft device and its components.

The agency has evaluated GM's MY 2000 petition for modification of the previous exemptions granted for the Cadillac DeVille, Pontiac Bonneville, Buick LeSabre and Oldsmobile Aurora car lines from the parts-marking requirements of 49 CFR Part 541. The agency has determined that the modified device to be installed on the DeVille, Bonneville and LeSabre car lines are likely to be as effective as parts marking in preventing and deterring theft of these vehicles, and therefore qualifies for a full rather than partial exemption under 49 CFR Part 543.

Additionally, the agency concludes that the improvements made to the device to be installed on the MY 2000 Oldsmobile Aurora car line constitute a de minimis modification to the existing antitheft device.

For the foregoing reasons, the agency hereby grants GM's petition for modification of the exemptions from the parts-marking requirements previously granted to the MY 2000 Cadillac DeVille, Pontiac Bonneville, Buick LeSabre and Oldsmobile Aurora car lines beginning with the 2000 model year.

If, in the future, GM decides not to use the exemption for the car lines that are the subject of this notice, it should formally notify the agency. If such a decision is made, the car line(s) must be fully marked according to the requirements under 49 CFR 541.5 and 541.6 (marking of major component parts and replacement parts).

NHTSA notes that if GM wishes in the future to modify the device on which this exemption is based, it may have to submit a petition to modify the exemption. Section 543.7(d) states that a Part 543 exemption applies only to vehicles that belong to a line exempted under this part and equipped with the antitheft device on which the line's exemption is based. Further, Section 543.9(c)(2) provides for the submission of petitions ''(t)o modify an exemption to permit the use of an antitheft device similar to but differing from the one specified in that exemption.''

The agency wishes to minimize the administrative burden which § 543.9(c)(2) could place on exempted vehicle manufacturers and itself. The agency did not intend in drafting Part 543 to require the submission of a modification petition for every change to the components or design of an antitheft device. The significance of many such changes could be de

*minimis.* Therefore, NHTSA suggests that if the manufacturer contemplates making any changes the effects of which might be characterized as de *minimis,* it should consult the agency before preparing and submitting a petition to modify.

**Authority:** 49 U.S.C. 33106; delegation of authority at 49 CFR 1.50.

Issued on: May 27, 1999.

**L. Robert Shelton,**

*Associate Administrator for Safety Performance Standards.*

[FR Doc. 99–13956 Filed 6–1–99; 8:45 am]

BILLING CODE 4910–59–P

## DEPARTMENT OF THE TREASURY

### Submission for OMB Review; Comment Request

May 24, 1999.

The Department of Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1995, Public Law 104–13. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, Room 2110, 1425 New York Avenue, NW., Washington, DC 20220.

**DATES:** Written comments should be received on or before July 2, 1999 to be assured of consideration.

### Departmental Offices/International Portfolio Investment Data Systems

*OMB Number:* 1505–0001.

*Form Number:* Treasury International Capitol Form S.

*Type of Review:* Extension.

*Title:* Purchases and Sales of Long-Term Securities by Foreigners.

*Description:* Form S is required by law and is designed to collect timely information on international portfolio capital movements, including foreigners' purchases and sales of long-term securities in transactions with U.S. persons. This information is necessary for compiling the U.S. balance of payments, for calculating the U.S. international investment position, and for formulating U.S. financial and monetary policies.

*Respondents:* Business or other for-profit.

*Estimated Number of Respondents:* 475.

*Estimated Burden Hours Per Respondent:* 5 hours.

*Frequency of Response:* Monthly.

*Estimated Total Reporting Burden:* 28,500 hours.

*Clearance Officer:* Lois K. Holland (202) 622–1563, Departmental Offices, Room 2110, 1425 New York Avenue, NW, Washington, DC 20220.

*OMB Reviewer:* Alexander T. Hunt (202) 395–7860, Office of Management and Budget, Room 10202, New Executive Office Building, Washington, DC 20503.

**Lois K. Holland,**

*Departmental Reports, Management Officer.*

[FR Doc. 99–13863 Filed 6–1–99; 8:45 am]

BILLING CODE 4810–25–P

## DEPARTMENT OF THE TREASURY

### Submission for OMB Review; Comment Request

May 24, 1999.

The Department of Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1995, Pub. L. 104–13. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, Room 2110, 1425 New York Avenue, NW., Washington, DC 20220.

**DATES:** Written comments should be received on or before July 2, 1999 to be assured of consideration.

### Internal Revenue Service (IRS)

*OMB Number:* 1545–0987.

*Regulation Project Number:* IA–62–91 Final and Temporary (formerly LR–168–86 NPRM and LR–129–86 Temporary).

*Type of Review:* Extension.

*Title:* Capitalization and Inclusion in Inventory of Certain Costs.

*Description:* The paperwork requirements are necessary to determine whether taxpayers comply with the cost allocation rules of section 263A and with the requirements for changing their methods of accounting. The information will be used to verify taxpayers' changes in methods accounting.

*Respondents:* Business or others for-profit, Farms.

*Estimated Number of Respondents/Recordkeepers:* 20,000.

*Estimated Burden Hours Per Respondent/Recordkeeper:* 5 hours.

*Frequency of Response:* Other (in the year of change).

*Estimated Total Reporting/Recordkeeping Burden:* 100,000 hours.

*OMB Number:* 1545–1496.

*Regulation Project Number:* REG–209673–93 Final.

*Type of Review:* Extension.

*Title:* Mark to Market for Dealers in Securities.

*Description:* Under section 1.475(b)–4, the information required to be recorded is required by the IRS to determine whether exemption from mark-to-market treatment is properly claimed, and will be used to make that determination upon audit of taxpayers' books and records. Also, under section 1.475(c)–1(a)(3)(iii), the information is necessary for the Service to determine whether a consolidated group has elected to disregard inter-member transactions in determining a member's status as a dealer in securities.

*Respondents:* Business or other for-profit.

*Estimated Number of Respondents/Recordkeepers:* 3.400.

*Estimated Burden Hours Per Respondent/Recordkeeper:* 52 minutes.

*Frequency of Response:* Annually.

*Estimated Total Reporting/Recordkeeping Burden:* 63,360 hours.

*Clearance Officer:* Garrick Shear, Internal Revenue Service, Room 5571, 1111 Constitution Avenue, NW, Washington, DC 20224

*OMB Reviewer:* Alexander T. Hunt, (202) 395–7860, Office of Management and Budget, Room 10202, New Executive Office Building, Washington, DC 20503.

**Lois K. Holland,**

*Departmental Reports, Management Officer.*

[FR Doc. 99–13864 Filed 6–1–99; 8:45 am]

BILLING CODE 4830–01–P