

the authority vested in me by the Act of October 19, 1965 (79 Stat. 985; 22 U.S.C. 2459), Executive Order 12047 of March 27, 1978, the Foreign Affairs Reform and Restructuring Act of 1998 (112 Stat. 2681, *et seq.*; 22 U.S.C. 6501 note, *et seq.*), Delegation of Authority No. 234 of October 1, 1999, Delegation of Authority No. 236 of October 19, 1999, as amended, and Delegation of Authority No. 257 of April 15, 2003 [68 FR 19875], I hereby determine that the objects in the exhibition: "Roaring Tigers and Leaping Carp: Decoding the Symbolic Language of Chinese Animal Painting," imported from abroad for temporary exhibition within the United States, are of cultural significance. The objects are imported pursuant to loan agreements with the foreign owners or custodians. I also determine that the exhibition or display of the exhibit objects at the Cincinnati Art Museum, Cincinnati, OH, from on or about October 9, 2009, until on or about January 3, 2010, and at possible additional exhibitions or venues yet to be determined, is in the national interest. Public Notice of these Determinations is ordered to be published in the **Federal Register**.

FOR FURTHER INFORMATION CONTACT: For further information, including a list of the exhibit objects, contact Julie Simpson, Attorney-Adviser, Office of the Legal Adviser, U.S. Department of State (telephone: (202)-453-8050). The address is U.S. Department of State, SA-44, 301 4th Street, SW., Room 700, Washington, DC 20547-0001.

Dated: July 14, 2009.

C. Miller Crouch,

Acting Assistant Secretary for Educational and Cultural Affairs, Department of State.

[FR Doc. E9-17464 Filed 7-21-09; 8:45 am]

BILLING CODE 4710-05-P

DEPARTMENT OF TRANSPORTATION

Research & Innovative Technology Administration

[Docket ID Number: RITA 2008-0002]

Agency Information Collection; Activity Under OMB Review; Report of Extension of Credit to Political Candidates

AGENCY: Research & Innovative Technology Administration (RITA), Bureau of Transportation Statistics (BTS), DOT.

ACTION: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), this notice announces that the Information

Collection Request (ICR) abstracted below has been forwarded to the Office of Management and Budget (OMB) for extension of currently approved collections. The ICR describes the nature of the information collection and its expected burden. The **Federal Register** Notice with a 60-day comment period soliciting comments on the following collection of information was published on March 16, 2009 (74 FR 11177-11178).

DATES: Written comments should be submitted by August 21, 2009.

FOR FURTHER INFORMATION CONTACT: Bernie Stankus, Office of Airline Information, RTS-42, Room E34-409, RITA, BTS, 1200 New Jersey Avenue, SE., Washington, DC 20590-0001, Telephone Number (202) 366-4387, Fax Number (202) 366-3383 or E-MAIL bernard.stankus@dot.gov.

SUPPLEMENTARY INFORMATION:

OMB Approval No. 2138-0016

Title: Report of Extension of Credit to Political Candidates—Form 183 14 CFR Part 374a.

Form No.: 183.

Type of Review: Extension of a currently approved collection.

Respondents: Certificated air carriers.

Number of Respondents: 2 (Monthly Average).

Number of Responses: 24.

Estimated Time per Response: 1 hour.

Total Annual Burden: 24 hours.

Needs and Uses: The Department uses this form as the means to fulfill its obligation under the Federal Election Campaign Act of 1971 (the Act). The Act's legislative history indicates that one of its statutory goals is to prevent candidates for Federal political office from incurring large amounts of unsecured debt with regulated transportation companies (e.g. airlines). This information collection allows the Department to monitor and disclose the amount of unsecured credit extended by airlines to candidates for Federal office. All certificated air carriers are required to submit this information.

The Confidential Information Protection and Statistical Efficiency Act of 2002 (44 USC 3501), requires a statistical agency to clearly identify information it collects for non-statistical purposes. BTS hereby notifies the respondents and the public that BTS uses the information it collects under this OMB approval for non-statistical purposes including, but not limited to, transmission of both respondent's identity and its data to the Federal Elections Commission.

ADDRESSES: Send comments to the Office of Information and Regulatory

Affairs, Office of Management and Budget, 725-17th Street, NW., Washington, DC 20503, Attention BTS Desk Officer.

Comments are invited on: Whether the proposed collection of information is necessary for the proper performance of the functions of the Department. Comments should address whether the information will have practical utility; the accuracy of the Department's estimate of the burden of the proposed information collection; ways to enhance the quality, utility and clarity of the information to be collected; and ways to minimize the burden of the collection of information on respondents, including the use of automated collection techniques or other forms of information technology.

Issued in Washington, DC, on July 16, 2009.

Anne Suissa,

Director, Office of Airline Information.

[FR Doc. E9-17393 Filed 7-21-09; 8:45 am]

BILLING CODE 4910-HY-P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. NHTSA-2009-0063]

Ferrari S.p.A and Ferrari North America, Inc.; Grant of Application for Extension of a Temporary Exemption From the Advanced Air Bag Requirements of FMVSS No. 208

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

ACTION: Grant of petition for extension of a temporary exemption from certain provisions of Federal Motor Vehicle Safety Standard (FMVSS) No. 208, *Occupant Crash Protection*.

SUMMARY: This notice grants the Ferrari S.p.A and Ferrari North America, Inc. application for extension of a temporary exemption from some requirements of FMVSS No. 208, *Occupant Crash Protection*. The exemption applies to the F430 vehicle line. In accordance with 49 CFR part 555, the basis for the grant is that compliance would cause substantial economic hardship to a low-volume manufacturer that has tried in good faith to comply with the standard, and the exemption would have a negligible impact on motor vehicle safety. The exemption is effective through August 31, 2009.

In accordance with the requirements of 49 U.S.C. 30113(b)(2), we published

a notice of receipt of the application and asked for public comments.¹

DATES: The exemption from the applicable FMVSSs is effective from July 22, 2009 through August 31, 2009.

FOR FURTHER INFORMATION CONTACT: Ari Scott, Office of the Chief Counsel, NCC-112, National Highway Traffic Safety Administration, 1200 New Jersey Avenue, SE., West Building 4th Floor, Room W41-326, Washington, DC 20590. Telephone: (202) 366-2992; Fax: (202) 366-3820; e-mail: ari.scott@dot.gov.

SUPPLEMENTARY INFORMATION:

- I. Advanced Air Bag Requirements and Small Volume Manufacturers
- II. Overview and Statutory Background of Petition for Economic Hardship
- III. Petition of Ferrari
- IV. Federal Register Notice of November 26, 2007
- V. NHTSA Analysis of Petition
- VI. Agency Decision

I. Advanced Air Bag Requirements and Small Volume Manufacturers

In 2000, NHTSA upgraded the requirements for air bags in passenger cars and light trucks, requiring what are commonly known as “advanced air bags.”² The upgrade was designed to meet the goals of improving protection for occupants of all sizes, belted and unbelted, in moderate-to-high-speed crashes, and of minimizing the risks posed by air bags to infants, children, and other occupants, especially in low-speed crashes.

The advanced air bag requirements were a culmination of a comprehensive plan that the agency announced in 1996 to address the adverse effects of air bags. This plan also included an extensive consumer education program to encourage the placement of children in rear seats. The new requirements were phased in beginning with the 2004 model year.

Small volume manufacturers were not subject to the advanced air bag requirements until September 1, 2006, but their efforts to bring their respective vehicles into compliance with these requirements began several years earlier. However, because the new requirements were challenging, major air bag suppliers concentrated their efforts on working with large volume manufacturers, and thus, until recently, small volume manufacturers had limited access to advanced air bag technology. Because of the nature of the requirements for protecting out-of-position occupants, “off-the-shelf” systems could not be readily adopted.

Further complicating matters, because small volume manufacturers build so few vehicles, the costs of developing custom advanced air bag systems compared to potential profits discouraged some air bag suppliers from working with small volume manufacturers.

The agency has carefully tracked occupant fatalities resulting from air bag deployment. Our data indicate that the agency’s efforts in the area of consumer education and manufacturers’ providing depowered air bags were successful in reducing air bag fatalities even before advanced air bag requirements were implemented. As always, we are concerned about the potential safety implication of any temporary exemptions granted by this agency.

In a petition submitted on July 26, 2007,³ Ferrari S.p.A and Ferrari North America, Inc. (“Ferrari”) requested an extension of the temporary exemption that it previously received,⁴ exempting it from certain advanced air bag provisions of FMVSS No. 208 with respect to the Ferrari F430 vehicles. Specifically, Ferrari is requesting an extension of an exemption from the requirements in S19, S21, and S23 of the standard, which establish requirements using infant, three-year-old child, and six-year-old child dummies, respectively. Ferrari requested a one-year extension through August 31, 2009. The rationale for this extension is that while Ferrari had originally anticipated launching a redesigned vehicle (that would be fully compliant) in 2008, delays have pushed that date back to 2009, and the company would like to extend its existing exemption to allow it to continue to sell the F430 until the compliant successor vehicle is launched.

II. Overview and Statutory Background of Petition for Economic Hardship

In accordance with 49 U.S.C. 20112 and the procedures in 49 CFR Part 555, Ferrari has petitioned the agency for extension of a temporary exemption from certain advanced air bag requirements of FMVSS No. 208, *Occupant Crash Protection*, for the F430 vehicles. The basis of the application was that compliance would cause substantial economic hardship to a

manufacturer that has tried in good faith to comply with the standard. A manufacturer is eligible to apply for a hardship exemption if its total motor vehicle production in its most recent year of production did not exceed 10,000 vehicles, as determined by the NHTSA Administrator (49 U.S.C. 30113).

In determining whether a manufacturer of a vehicle meets that criterion, NHTSA considers whether a second vehicle manufacturer also might be deemed the manufacturer of that vehicle. The statutory provisions governing motor vehicle safety (49 U.S.C. Chapter 301) do not include any provision indicating that a manufacturer might have substantial responsibility as manufacturer of a vehicle simply because it owns or controls a second manufacturer that assembled that vehicle. However, the agency considers the statutory definition of “manufacturer” (49 U.S.C. 30102) to be sufficiently broad to include sponsors, depending on the circumstances. Thus, NHTSA has stated that a manufacturer may be deemed to be a sponsor and thus a manufacturer of a vehicle assembled by a second manufacturer if the first manufacturer had a substantial role in the development and manufacturing process of that vehicle.

Finally, while 49 U.S.C. 30113(b) states that exemptions from a Safety Act standard are to be granted on a “temporary basis,”⁵ the statute also expressly provides for renewal of an exemption on reapplication. Manufacturers are nevertheless cautioned that the agency’s decision to grant an initial petition in no way predetermines that the agency will repeatedly grant renewal petitions, thereby imparting semi-permanent exemption from a safety standard. Exempted manufacturers seeking renewal must bear in mind that the agency is directed to consider financial hardship as but one factor, along with the manufacturer’s on-going good faith efforts to comply with the regulation, the public interest, and consistency with the Safety Act, generally, as well as other such matters provided in the statute.

III. Petition of Ferrari

Background. NHTSA notes that a manufacturer is eligible to apply for a hardship exemption if its total motor vehicle production in its most recent year of production does not exceed 10,000, as determined by the NHTSA Administrator (15 U.S.C. 1410(d)(1)). While Fiat S.p.A., a major vehicle

¹ To view the application or public comments, please go to: <http://www.regulations.gov> (Docket No. NHTSA-2007-0020).

² See 65 FR 30680 (May 12, 2000).

³ The petition is available at <http://www.regulations.gov>, Docket No. NHTSA-2007-0020.

⁴ The original petition of Ferrari is available at <http://www.regulations.gov>, Docket No. NHTSA-2005-23093. Furthermore, the notice granting that petition, Ferrari S.p.A and Ferrari North America, Inc. Grant of Application for a Temporary Exemption From S14.2 of Federal Motor Vehicle Safety Standard No. 208, was published at 71 FR 29389, May 22, 2006.

⁵ 49 U.S.C. 30113(b)(1).

manufacturer, holds a majority interest in Ferrari, NHTSA still considers that Ferrari's production will not exceed that number. Consistent with past determinations, NHTSA has determined that Fiat's interest in Ferrari does not result in the production threshold being exceeded⁶ (see 70 FR 71372). In its current petition, Ferrari states that during the twelve month period from June 1, 2006 to June 1, 2007, Ferrari's worldwide production of motor vehicles was 6,249. If the requested exemption is granted, Ferrari anticipates that its production during the extension year of the exemption will be approximately 7,200 vehicles.

In response to Ferrari's original petition for exemption in 2005,⁷ the agency stated that the Ferrari F430 bears no resemblance to any motor vehicle designed or manufactured by Fiat, and that the agency understood that the F430 was designed and engineered without assistance from Fiat. Further, the agency stated that such assistance as Ferrari may receive from Fiat relating to use of test facilities and the like is an arms length transaction for which Ferrari pays Fiat. Therefore, NHTSA concluded that Fiat was not a manufacturer of Ferrari vehicles by virtue of being a sponsor. We continue to believe this is the case.

Requested exemption. Ferrari is requesting an extension of the temporary exemption that it previously received, exempting it from the advanced air bag provisions of FMVSS No. 208 with respect to the Ferrari F430 vehicles. Specifically, Ferrari is requesting an extension of its exemption from the requirements in S19, S21, and S23 of the Standard, which establishes requirements using infant, three-year-old child, and six-year-old child dummies, respectively. Ferrari originally planned to produce the F430 only until late 2008. Thus, Ferrari only sought and received the current exemption, which extended until August 31, 2008.⁸ However, Ferrari states that unexpected developments, including the need to assure that the replacement model complies with new, more stringent European carbon dioxide and noise regulations and new requirements promulgated by the California Air Resources Board, have delayed the replacement vehicle until

late 2009. Therefore, Ferrari is requesting a one year extension of the current exemption, through August 31, 2009.

The petitioner indicated that it intends to replace the F430 in 2009 with a new model, which will comply with all applicable FMVSSs. Therefore, need for the exemption is not expected to last beyond the date of the exemption.

Economic hardship. The petitioner states that the inability to sell F430 vehicles manufactured after August 31, 2008 would have severe economic consequences for Ferrari S.p.A. and Ferrari North America (FNA). Specifically, Ferrari S.p.A., while remaining a profitable enterprise, would suffer approximately \$77 million in lost sales during the one year period of the extended exemption, and additional lost sales in later years. Furthermore, FNA would suffer \$9 million in lost sales in 2009, and would suffer an overall loss in that year. Additionally, failure to obtain the exemption would cause an adverse financial effect through lost sales of replacement parts for several years in the future.

Good faith efforts to comply. Ferrari states that it considered alternate means of compliance, but found that compliance with the advanced air bag requirements of FMVSS No. 208 was not possible. As described in the notice of Ferrari's original petition for exemption, the F430 was originally designed in the mid-1990s as the 360 model, and was designed to comply with all of the requirements of the FMVSSs in effect at the time the 360 was originally designed. The petitioner stated that the provisions of FMVSS No. 208 established in 2000 (65 FR 30680; May 12, 2000; Advanced Air Bag rule) were not anticipated by Ferrari when the 360 vehicle model was designed. The F430 was introduced in 2004. Ferrari had originally intended to replace the F430 in 2008, but now anticipates the replacement model being ready in 2009.

As described in the notice of receipt of Ferrari's previous petition, Ferrari stated that it has been able to bring the F430 into compliance with all of the high-speed belted and unbelted crash test requirements of the Advanced Air Bag rule. However, it stated that it has not been able to bring the vehicle into compliance with the child out-of-position requirements (S19, S21, and S23). Ferrari also noted that despite efforts to involve numerous potential suppliers, it was unable to identify any that are willing to work with the company to develop an occupant classification system that would comply with the requirements in S19, S21, and S23. Moreover, Ferrari had stated that it

was unable to reconfigure the F430 to accommodate an occupant classification system and air bag design that would comply with these requirements.

In its current request, Ferrari states that when it realized that it would need to continue production of the F430 beyond September 1, 2008, it again contacted several potential suppliers regarding the procurement of advanced air bag systems. This attempt, Ferrari states, was also unsuccessful. Additionally, Ferrari notes that since filing its initial petition, it has continued to work on compliance issues, and has been able to bring the F430 into full compliance with S25 of the standard. Paragraph S25 specifies the test requirements for using an out-of-position 5th percentile adult female dummy at the driver position.

Ferrari states that further efforts to bring the F430 vehicles into full compliance with FMVSS No. 208 during the term of the requested exemption would be futile. However, Ferrari states that it is taking steps to minimize the negative safety consequences of the exemption. First, Ferrari will continue to equip the F430 with a manual air bag on/off switch for the passenger air bag as standard equipment, in order to prevent the possibility of an air bag deployment when a child is present. Second, Ferrari will continue to offer to provide purchasers with child restraint systems designed to automatically suppress the passenger air bag when the restraint is present, at no cost.

Ferrari argues that an exemption would be in the public interest. The petitioner put forth several arguments in favor of a finding that the requested exemption is consistent with the public interest and would not have a significant adverse impact on safety. Specifically, Ferrari argues that the public interest is served by four factors. These include: (1) Satisfying the public interest in offering consumers a wider variety of motor vehicle choices; (2) affording continued employment to the petitioner's U.S. workforce; (3) there would be minimal safety impact from granting this exemption; and (4) that it would be inequitable to prevent Ferrari from importing the F430 until 2009, when other vehicles have been granted similar exemptions.

Ferrari states that there is consumer demand in the United States for high-performance sports cars such as the F430. It argues that compliance with the advanced air bag requirements is virtually impossible for vehicles such as the F430, which was designed before the advanced air bag rule was proposed. Ferrari notes that NHTSA has, in the past, stated that it believes the public

⁶ 54 FR 46321; November 2, 1989.

⁷ 70 FR 71372, November 28, 2005.

⁸ We note that under 49 CFR 555.8(e), "if an application for renewal of temporary exemption that meets the requirements of § 555.5 has been filed not later than 60 days before the termination date of an exemption, the exemption does not terminate until the Administrator grants or denies the application for renewal."

interest is often served by affording consumers a wider variety of motor vehicle choices. The petitioner also states that the public interest will be served in affording continued employment to the petitioner's U.S. work force, which would be affected by the granting or denial of the exemption.

Ferrari also argues that the safety drawbacks of granting an exemption will be minimal. The F430 is designed and marketed as a high performance vehicle, and therefore would have relatively little on-road operation compared with other motor vehicles. Furthermore, the petitioner states that it is unlikely that young children would be passengers in the vehicle, and that other safety measures, such as passenger air bag on/off switches and child restraint systems, are available at no cost. In addition, in its original petition for exemption, the petitioner stated that the F430 also has a variety of passive safety features not required under the FMVSS, including seat belt pretensioners, among other systems. Thus, Ferrari argues, an exemption would have a minimal impact on safety.

Finally, the petitioner suggested that this petition is similar to other petitions for exemptions from the advanced air bag standards for similar vehicles. Specifically, Ferrari stated that NHTSA has granted exemptions to several of Ferrari's competitors that extend until at least August 31, 2009. These exemptions extend to the Lamborghini Murcielago, the Lotus Elise, the Morgan Aero 8, the YES! Roadster, and the Koenigsegg CCX.⁹ Ferrari argues that it would be inequitable for the agency to deny its petition for an extension of the F430 exemption until August 31, 2009.

IV. Federal Register Notice of November 26, 2007

In the **Federal Register** of November 26, 2007 (72 FR 66028), we published a notice announcing receipt of an application from Ferrari for a temporary exemption from the advanced air bag requirements of FMVSS No. 208 for the F430. We invited public comment on Ferrari's application. We received no comments in response to this publication.

V. NHTSA Analysis of Petition

The following discussion provides our decision regarding Ferrari's temporary exemption request pertaining to the advanced air bag requirement of FMVSS No. 208.

The fundamental problem which is causing Ferrari to be unable to fully

comply with the advanced air bag requirements relates to the design cycle of the vehicle. As stated in the original petition for exemption, the model at issue here, the F430, is based on the design of the model 360. This model was designed in the 1990s, before Ferrari had any reason to anticipate that FMVSS No. 208 would be amended to impose the advanced air bag requirements. Despite significant expenditures of capital and labor in pursuit of compliance,¹⁰ Ferrari was unable to bring its vehicle into compliance (although, we note, it was able to comply with paragraph S25 of Standard No. 208). Ferrari believes that the only achievable solution to bring the F430 into compliance is a complete redesign of the vehicle, which, due to the long design cycle, is scheduled for 2009.

In its petition for renewal, Ferrari argued that the obstacle to compliance is not cost, but, rather, compliance is an impossibility. Numerous design elements, including the chassis, the interior occupant compartment case, the space behind the instrument panel, the air bags, and the seats, were designed in a manner that preclude compliance with the new requirements. The vehicle chassis has an extremely low profile and ride height that preclude the addition of any available occupant classification system, and the limited room behind the instrument panel and in the occupant compartment make it impossible to install air bags that satisfy all of the advanced air bag requirements. Additionally, there are no air bags available that Ferrari can purchase that could be installed in the F430. The compliant air bags that Ferrari uses on its 12-cylinder 612 Scaglietti and 599 GTB vehicles cannot be used in the F430 because the former vehicles have a larger occupant compartment and utilize occupant classification sensors that cannot, due to size and design, be installed on the F430.

Ferrari stated that its inability to sell the F430 in the United States after September 1, 2008 would lead to a substantial loss of sales and revenue. Ferrari projected that if it were unable to sell the F430 model in the U.S., it would realize a decrease in net profit of approximately 56 million Euros (\$77,000,000, as of the time of the petition) during this period. Ferrari stated that such consequences demonstrate "substantial economic hardship" within the meaning of 49 U.S.C. 30113(b)(3)(B)(i).

The petitioner cited a number of effects that would result from this hardship. A denial of the petition would have substantial effects on FNA's income in 2009 (over \$9 million in lost income), leading to a pre-tax loss in that year. It would also have a negative impact on the company's sales of replacement parts for several years, as well as impact several small specialty service providers. Finally, it would have a significant effect on the network of Ferrari dealers in the United States, including a potential loss of jobs among employees of those dealerships.

Ferrari has requested that additional specific details regarding its finances and financial forecasts be afforded confidential treatment under 49 CFR 512.4, asserting a claim for confidential information. We have determined that this information is to be afforded such treatment.

While it complies with a significant portion of the requirements of FMVSS No. 208, the petitioner has not been able to achieve full compliance despite considerable effort put to that end. As described in the notice of receipt of Ferrari's previous petition, Ferrari has been able to bring the F430 into compliance with all of the high-speed belted and unbelted crash test requirements of the Advanced Air Bag rule. However, it has still not been able to bring the vehicle into compliance with the child out-of-position requirements (S19, S21, and S23). Furthermore, despite efforts to involve numerous potential suppliers, it was unable to identify any that are willing to work with the company to develop an occupant classification system that would comply with the requirements in S19, S21, and S23. Moreover, Ferrari had stated that it was unable to reconfigure the F430 to accommodate an occupant classification system and air bag design that would comply with these requirements.

Despite the fact that it had already obtained an exemption through August 21, 2008, when Ferrari realized that it would need to continue production of the F430 beyond September 1, 2008, it again contacted several potential suppliers regarding the procurement of advanced air bag systems. This attempt, like previous efforts to induce large-scale component suppliers to design a custom advanced air bag system, was unsuccessful. Additionally, as stated previously, Ferrari notes that since filing its initial petition, it has continued to work on compliance issues, and has been able to bring the F430 into full compliance with S25 of the standard. Paragraph S25 specifies the test requirements for using an out-

⁹ See 71 FR 52951; 71 FR 68888; and 72 FR 17609.

¹⁰ The precise figures are provided in the confidential version of the petition.

of-position 5th percentile adult female dummy at the driver position.

NHTSA is aware that Ferrari will not be undertaking additional efforts during the term of this extension to bring the F430 vehicles into full compliance with FMVSS No. 208. Instead, the company intends to achieve full compliance with the launch of the redesigned vehicle in 2009. However, during the year of this extension, Ferrari will be taking steps to minimize the negative safety consequences of the exemption. First, Ferrari will continue to equip the F430 with a manual air bag on/off switch for the passenger air bag as standard equipment, in order to prevent the possibility of an air bag deployment when a child is present. Second, Ferrari will continue to offer to provide purchasers with child restraint systems designed to automatically suppress the passenger air bag when the restraint is present, at no cost.

As stated above, Ferrari does not intend to bring the F430 into compliance with FMVSS No. 208 during the period of this exemption. Instead, by the end of the requested extension, Ferrari will cease selling the F430.

We believe that there are a number of public interest considerations served by granting this petition. These include: (1) The general consideration of affording consumers a wider variety of motor vehicle choices; (2) the economic benefits of affording continued employment to the petitioner's U.S. work force; (3) the estimated minimal impact due to the relatively low-use nature of the vehicle and the rare use of the vehicle by young children; (4) the additional safety features of the vehicle as described by the petitioner; and (5) the petitioner's willingness to provide additional child safety features to consumers at no cost. Each of these is discussed below. We note that while no one factor is dispositive in our decision, overall, we believe that they, in combination with Ferrari's continuous efforts to meet the advanced air bag requirements for the redesigned vehicle, present a persuasive case for the current exemption to be extended one year.

As discussed in previous decisions on temporary exemption applications, the agency believes that the public interest is served by affording consumers a wider variety of motor vehicle choices.

Traditionally, the agency has concluded that the public interest is served in affording continued employment to the petitioner's U.S. work force. We note that Ferrari is a well-established company with a small but not insignificant U.S. presence and we believe that the sales reduction would negatively affect U.S.

employment. Specifically, reduction in sales would likely affect employment not only at FNA, but also at Ferrari dealers, repair specialists, and several small service providers that transport Ferrari vehicles from the port of entry to the rest of the United States.

We believe this exemption will have negligible impact on motor vehicle safety for several reasons. One reason is the limited number of vehicles affected and the fact that Ferrari vehicles, like other high-cost, high-performance sports cars, are not typically used for daily transportation. NHTSA is well aware that the yearly usage of a vehicle such as an F430 is substantially lower compared to vehicles used for everyday transportation.

Additionally, the agency examined the Fatality Analysis Reporting System (FARS) and the National Automotive Sampling System Crashworthiness Data System (NASS CDS) data for years 1995–2007. These data indicate that over the past 13 years, there was one severe injury in a NASS CDS case, and five fatalities in FARS cases involving the 360 Modena or the F430. None of the injured or killed occupants in these vehicles were children. Thus, there were no children involved in crashes of Ferrari 360 or F430 vehicles included in these databases, which further mitigates the safety impact of noncompliance with portions of FMVSS No. 208.

The petitioner put forth a variety of public interest considerations in its original petition for exemption. In the **Federal Register** notice granting the original petition for exemption, the agency summarized those arguments.¹¹ With regard to additional safety features, we noted that:

Ferrari states that the vehicle is equipped with a variety of "active safety" systems beyond that required by the FMVSSs and that these systems "significantly improve vehicle handling and enhance controllability." Such systems include the Manettino control system, which adjusts vehicle handling and stability to specific driving conditions; the Control Stability System, an electronic stability control system; Electro-Hydraulic Differential, a system that manages torque distribution between the two rear wheels to improve stability; Continuous Damping Control, a system that adjusts to road conditions in order to improve braking; and a "Sky-Hook" strategy.¹²

While the availability of these features is not critical to our decision, it is a factor in considering whether the

exemption is in the public interest. Specifically, we believe that these safety features will help to mitigate the safety disbenefits of not complying with all of the advanced air bag requirements.

A final factor that played into our decision to grant this exemption is that Ferrari has voluntarily included two alternative means for passenger air bag suppression for the protection of children being transported in the right front seating position, which was also discussed in the original petition for exemption and the accompanying notices. First, Ferrari has provided a manual on/off switch. This enables the passenger air bag to be manually turned off when a child is present, which will help to prevent certain air bag-induced injuries. Second, Ferrari offers a special child restraint system that automatically suppresses the passenger air bag when it is properly installed in the right front passenger seat. Ferrari offers this automatic child restraint system at no cost to the consumer, upon request. Both of these features offer passenger air bag suppression capability in the event a child needs to be transported in the right front seating position, and support our findings that this exemption will have negligible impact on motor vehicle safety.

VI. Agency Decision

In consideration of the foregoing, we conclude that compliance with the advanced air bag requirements of FMVSS No. 208, *Occupant Crash Protection*, would cause substantial economic hardship to a manufacturer that has tried in good faith to comply with the standard. We further conclude that granting of an exemption would be in the public interest and consistent with the objectives of traffic safety.

In accordance with 49 U.S.C. § 30113(b)(3)(B)(i), Ferrari is granted an extension of NHTSA Temporary Exemption No. EX 06–1. The exemption shall remain until August 31, 2009 as indicated in the DATES section of this notice.

(49 U.S.C. 30113; delegations of authority at 49 CFR 1.50. and 501.8)

Issued on: July 16, 2009.

Ronald L. Medford,

Acting Deputy Administrator.

[FR Doc. E9–17384 Filed 7–21–09; 8:45 am]

BILLING CODE 4910–59–P

¹¹ See 71 FR 29389, at 29391.

¹² According to the petitioner, the "Skyhook" strategy detaches the vehicle body, as a sprung mass, from what is taking place on the axles and wheels by calming the movement of the body. In addition to improved comfort, this provides for optimal control of the vehicle body at all times.