After careful review of the methodology that was proposed in the NPRM and the comments received in response to that methodology, MARAD has concluded that the current rule, as well as the amendments that it proposed to that rule, cannot adequately apply to liner vessels the methodology used in determining guideline rates for bulk vessels due to the fundamental difference between bulk and liner vessels. MARAD's basic assumption that large liner cargo parcels take on significant aspects of bulk shipment was not supported by the comments. Several commenters pointed out that even when large parcels are carried to the same country or area, the cargo discharging is typically done at numerous ports in the region, subjecting the liner operators to much greater risk of delays than bulk operators, which typically unload in one or two ports. In addition, voyages in the liner preference trades typically involve multiple shippers and receivers, each with their own shipment terms. MARAD believes that expansion of the scope of part 383, which addresses less-than-shipload lots of bulk preference cargo on liner vessels, is not appropriate at this time and that it would be more fitting to remove the entire part. This conclusion is supported by the fact that the rule has not been utilized since 1995, and that, with the sharp decline in the number of U.S.-flag general cargo vessels operating in liner services, it is very unlikely that any future preference cargoes will fall within the purview of the regulations contained therein. In the absence of a regulation, MARAD can make an ad hoc determination, if such a shipment is made in the future, under its general authority to administer the cargo preference laws of the United States.

Rulemaking Analyses and Notices

Executive Order 12866 (Regulatory Planning and Review); Department of Transportation (DOT) Regulatory Policies Procedures; Pub. L. 104–121.

This rulemaking has been reviewed under Executive Order 12866 and Department of Transportation Regulatory Policies and Procedures (44 FR 11034; February 26, 1979). It is not considered to be an economically significant regulatory action under section 3(f) of E.O. 12866, since it has been determined that it is not likely to result in a rule that may have an annual effect on the economy of $100 million or more or adversely affect in a material way the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities. It is not considered to be a significant rule under the Department's Regulatory Policies and Procedures.

MARAD has determined that this rulemaking presents no substantive issue which it could reasonably expect would produce meaningful public comment since it is merely removing a rule that is obsolete, the retention of which could serve no useful purpose. Accordingly, pursuant to 5 U.S.C. 553 (c) and (d), the Administrative Procedure Act, MARAD finds that good cause exists to publish this as a final rule, without opportunity for public comment, and to make it effective in less than thirty days after the date of publication.

This rule has not been reviewed by the Office Management and Budget under Executive Order 12866.

Federalism

The Maritime Administration has analyzed this rulemaking in accordance with the principles and criteria contained in Executive Order 12612, and has determined that it does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

Regulatory Flexibility Act

The Maritime Administration certifies that this rulemaking will not have a significant economic impact on a substantial number of small entities since MARAD has historically calculated guidline rates for only three operators in the liner trade.

Environmental Assessement

The Maritime Administration has considered the environmental impact of this rulemaking and has concluded that an environmental impact statement is not required under the National Environmental Policy Act of 1969.

Paperwork Reduction Act

This rulemaking contains no reporting requirement that is subject to OMB approval under 5 CFR part 1320, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

This rule does not impose any unfunded mandates or requirements that will have an impact on the quality of the human environment.

List of Subjects in 46 CFR part 383

Agricultural commodities, Cargo vessels, Government procurement, Grant programs—foreign relations, Loan programs—foreign relations, Water transportation.

Accordingly, 46 CFR part 383 is hereby removed and reserved.

By Order of the Acting Maritime Administrator.

Dated: November 14, 1997.

Joel C. Richard,

Secretary, Maritime Administration.

[FR Doc. 97–30370 Filed 11–18–97; 8:45 am]

BILLING CODE 4910–81–P

FEDERAL MARITIME COMMISSION

46 CFR Part 586

[Docket No. 96–20]

Port Restrictions and Requirements in the United States/Japan Trade

AGENCY: Federal Maritime Commission.

ACTION: Final rule; suspension of effectiveness.

SUMMARY: The Federal Maritime Commission is suspending the effectiveness of its final rule assessing fees on liner vessels operated by Japanese carriers, in light of agreements reached between the United States Government and the Government of Japan, and among affected commercial parties and the Government of Japan, addressing restrictive and unfavorable conditions affecting U.S. shipping in Japanese ports.

DATES: Effective November 13, 1997, 46 CFR 586.2 as published at 62 FR 9696, March 4, 1997, and amended at 62 FR 18532, April 16, 1997, is suspended.

ADDRESSES: Filings and requests for publicly available information should be addressed to: Joseph C. Polking, Secretary, Federal Maritime Commission, 800 North Capitol Street, N.W., Washington, D.C. 20573, (202) 523–5725.

FOR FURTHER INFORMATION CONTACT: Thomas Panebianco, General Counsel, Federal Maritime Commission, 800 North Capitol Street, N.W., Washington, D.C. 20573, (202) 523–5740.

SUPPLEMENTARY INFORMATION: On February 26, 1997 (62 FR 9696, March 4, 1997), the Commission issued a final rule pursuant to section 19(1)(b) of the Merchant Marine Act, 1920, 46 U.S.C. app. 876(1)(b), to assess per-voyage fees on Japanese liner carriers, in response to unfavorable conditions facing U.S. shipping in Japanese ports. On April 13, 1997 (62 FR 18533, April 16, 1997), the Commission postponed the effective date of the final rule (originally set for April 14, 1997) until September 4, 1997, to allow the Government of Japan and affected parties further opportunity to craft appropriate plans for addressing the unfavorable conditions identified in the final rule. On September 4, 1997, the Commission, having been presented

with no evidence of meaningful reforms to Japanese port conditions, took no action to prevent the rule from becoming effective.

Over the last several months, and particularly in recent weeks, U.S. and Japanese Government negotiators have worked assiduously to craft agreements and reform plans to remedy the unfavorable conditions that prompted the Commission's final rule. On October 27, 1997, it came to the Commission's attention that these negotiators had come to terms on certain documents which, upon ratification, would constitute a comprehensive agreement to reform Japanese port practices. Based on this positive development, the Commission entered into a consent order with the Japanese shipping lines, accepting a compromise payment of $1.5 million in full satisfaction of the $4 million owed (and overdue) for the month of September, and agreed to take no further action in this matter while the ratification of the agreements were pending.

On November 10, 1997, Chairman Creel received a letter from Under Secretary of State for Economic, Business, and Agricultural Affairs Stuart E. Eizenstat and Acting Maritime Administrator John Graykowski, conveying final signed copies of correspondence between Secretary of State Madeleine K. Albright and Ambassador Kunihiko Saito reflecting the arrangements reached by the U.S. and Japan delegations during the talks. Mr. Eizenstat and Mr. Graykowski stated that ''this package represents a reasonable basis to recommend that the Commission compromise all the remaining assessments under Docket No. 96–20 for October and November and suspend further assessments and the requirement for Japanese carriers to report further vessel calls.'' Attached to Ambassador Saito's letter were copies of two agreements among the Government of Japan and commercial interests regarding the system of prior consultation.

The Commission is persuaded that the arrangements reflected in these documents represent a significant step in the process of remedying unfavorable Japanese port conditions. While the Commission's ultimate concern is the improvement of actual shoreside practices and policies, in this case—where the issues are complex and the affected interests are several—the crafting and achievement of consensus on workable reform plans is a vital and commendable part of the process. The agreed-upon plans address in substance all of the unfavorable conditions identified in the Commission's final rule, covering both the issues of licensing of port transportation business operations and the system of prior consultation. With regard to the latter, relevant parties have agreed on reform of the existing system and the creation of an alternative process of prior consultations. We expect that these changes, when fully implemented, will remedy those unfavorable conditions identified in the final rule.

Accordingly, the Commission is now suspending the effectiveness of the final rule. This action has the effect of ceasing both the assessment of fees on Japanese carriers and the requirement that they report vessel calls.

The Commission expects that it will collect information periodically in the normal course to remain apprised of changes in port conditions resulting from implementation of the Agreements. However, we would note that the arrangements reached by U.S. and Japanese negotiators include provisions for consultation. It is our hope that, should any disputes or problems arise in the implementation of these agreements, they can appropriately be addressed through diplomatic and consultative mechanisms. To encourage such a process, if a complaint relating to matters contained in this docket is lodged with the Commission at any time by interested persons, the Commission immediately will notify the Secretary of State of such complaint, and will request the Secretary of State to seek resolution of the outstanding matters through diplomatic channels. At the same time, however, the Commission retains its authority to take further action, should it become necessary to do so.

Therefore, it is ordered, That 46 CFR 586.2 as published March 4, 1997 (62 FR 9696), and amended by the Commission April 16, 1997 (62 FR 18532) is hereby suspended.

By the Commission.

Joseph C. Polking,

Secretary.

[FR Doc. 97–30277 Filed 11–18–97; 8:45 am]

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FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 68

[CC Docket No. 96–28; FCC 97–270]

Connection of Customer-Provided Terminal Equipment to the Telephone Network

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: On August 22, 1997, the Commission released a report and order adopting final rules to amend the Commissions rules, which govern the terms and conditions under which customer-provided terminal equipment may be connected to the telephone network without causing harm to the public switched network. As a result of the amendments, manufacturers will be able to test terminal equipment for compliance with a single, consistent set of technical standards accepted in both the United States and Canada. The harmonization of terminal attachment rules in the United States and Canada will be a model for our harmonization efforts with other countries.

EFFECTIVE DATE: April 20, 1998.

FOR FURTHER INFORMATION CONTACT:

Technical Information: William VonAlven, (202) 418–2342 or email at wvonalen@fcc.gov.

Legal Information: Marian Gordon, (202) 418–2320 or email at mgordon@fcc.gov. The address for both is: Network Services Division, Common Carrier Bureau, Federal Communications Commission, 2000 M Street, NW, Suite 235, Washington, DC 20054. The fax number is: (202) 418–2345. The TTY number is: (202) 418–0484.

SUPPLEMENTARY INFORMATION:

I. Introduction

1. In this *Report and Order* (''*Order*''), we adopt final rules to amend part 68 of the Commission's rules, which governs the terms and conditions under which customer-provided terminal equipment may be connected to the telephone network without causing harm to the network.[1] The amendments we adopt herein are designed to harmonize United States and Canadian requirements governing connection of terminal equipment to the public switched network (''PSN'') and to promote barrier-free trade between Canada and the United States, in keeping with the spirit of the North American Free Trade Agreement

[1] *See* 47 CFR part 68. For a history of part 68, *see* Proposals for New or Revised Classes of Interstate and Foreign Message Toll Telephone Service (''MTS'') and Wide Area Telephone Service (''WATS''); Revision of part 68 of the Commission's rules to Specify Standard Plugs and Jacks for the Connection of Telephone Equipment to the Nationwide Telephone Network; and Amendment of Part 68 of the Commission's rules (Telephone Equipment Registration) to Specify Standards for and Means of Connection of Telephone Equipment to Lamp and/or Annunciator Functions of Systems, *Memorandum Opinion and Order,* 70 FCC 2d 1800 (1979), 45 FR 20841, Mar. 31, 1980.