

Budget under that order. It is not significant under the regulatory policies and procedures of the Department of Transportation (DOT) (44 FR 11040; February 26, 1979). The Coast Guard expects the economic impact of this proposal to be so minimal that a full Regulatory Evaluation under paragraph 10e of the regulatory policies and procedures of DOT is unnecessary as the regulations only require minimum steerage way speeds and do not limit the amount of incoming and outgoing vessels.

Small Entities

Under the Regulatory Flexibility Act (5 U.S.C. 601 et seq.), the Coast Guard must consider whether this proposal will have a significant economic impact on a substantial number of small entities. "Small entities" include independently owned and operated small businesses that are not dominant in their field and that otherwise qualify as "small business concerns" under Section 3 of the Small Business Act (15 U.S.C. 632).

The Coast Guard certifies under section 605(b) of the Regulatory Flexibility Act (5 U.S.C. 601 et seq.), that this proposal, if adopted, would not have a significant impact on a substantial number of small entities as there are no limits imposed on the quantity of incoming or outgoing vessels.

Collection of Information

This proposal contains no collection of information requirements under the Paperwork Reduction Act (44 U.S.C. 3501 et seq.).

Federalism

This action has been analyzed in accordance with the principles and criteria contained in Executive Order 12612 and it has been determined that the rulemaking does not have sufficient Federalism implication to warrant the preparation of a Federalism Assessment.

Environmental Analysis

The Coast Guard has considered the environmental impact of this proposal and has determined pursuant to figure 2-1, paragraph (34)(g) of Commandant Instruction M16475.1C, that this proposal is categorically excluded from further environmental documentation. A Categorical Exclusion Determination and Environmental Analysis Checklist will be prepared during the comment period and will be available for inspection and copying after the comment period for this proposed rulemaking has expired.

List of Subjects in 33 CFR Part 165

Harbors, Marine safety, Navigation (water), Reports and recordkeeping requirements, Security measures, Waterways.

Proposed Regulations

In consideration of the foregoing, the Coast Guard proposes to amend Subpart F of Part 165 of Title 33, Code of Federal Regulations, as follows:

PART 165—[AMENDED]

1. The authority citation for part 165 continues to read as follows:

Authority: 33 U.S.C. 1231; 50 U.S.C. 191; 33 CFR 1.05-1(g), 6.04-1, 6.04-6, and 160.5; 49 CFR 1.46.

2. Add a new § 165.756 to read as follows:

§ 165.756 Regulated Navigation Area; San Juan Harbor, San Juan, Puerto Rico.

(a) *Regulated Area.* The following is a Regulated Navigation Area: All the waters of San Juan Harbor bounded by the following geographic coordinates: Lighted Buoy #11 (LLNR 30805) in approximate position 18-27.31N, 066-07.01W; east to Puerto Rico Ports Authority Pier #3 in approximate position 18-27.40N, 066-06.43W; south to Lighted Buoy "A" (LLNR 30845) in approximate position 18-26.55N, 066-06.26W; west to Nun Buoy "A" in approximate position 18-27.01N, 066-06.59W; and thence north to the point of origin. All coordinates referenced use Datum: NAD 83.

(b) *Regulations.* Unless otherwise authorized by the Captain of the Port, San Juan, Puerto Rico, vessels operating in the regulated area must travel no faster than needed for steerageway. The general regulations in § 165.13 of this part apply.

(c) *Enforcement.* Violations of this regulated navigation area should be reported to the Captain of the Port, San Juan, PR.

Dated: June 5, 1998.

N.T. Saunders,

Rear Admiral, U.S. Coast Guard Commander, Seventh Coast Guard District.

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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[CA 187-0064; FRL-6112-1]

Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, South Coast Air Quality Management District

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: EPA is proposing to approve a revision to the California State Implementation Plan (SIP) which concerns the control of volatile organic compound (VOC) emissions from architectural coatings.

The intended effect of proposing approval of this rule is to regulate emissions of VOCs in accordance with the requirements of the Clean Air Act, as amended in 1990 (CAA or the Act). EPA's final action on this proposed rulemaking will incorporate this rule into the federally approved SIP. EPA has evaluated this rule and is proposing to approve it under provisions of the CAA regarding EPA action on SIP submittals, SIPs for national primary and secondary ambient air quality standards and plan requirements for nonattainment areas.

DATES: Comments must be received on or before July 20, 1998.

ADDRESSES: Comments may be mailed to: Andrew Steckel, Rulemaking Office (AIR-4), Air Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105-3901.

Copies of the rule revisions and EPA's evaluation report of this rule are available for public inspection at EPA's Region IX office during normal business hours. Copies of the submitted rule revisions are also available for inspection at the following locations:

California Air Resources Board,
Stationary Source Division, Rule
Evaluation Section, 2020 "L" Street,
Sacramento, CA 95812.
South Coast Air Quality Management
District, 21865 E. Copley Drive,
Diamond Bar, CA 91765-4182.

FOR FURTHER INFORMATION CONTACT:
Yvonne Fong, Rulemaking Office (AIR-4), Air Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105-3901, (415) 744-1199.

SUPPLEMENTARY INFORMATION:

I. Applicability

This Federal Register action for the South Coast Air Quality Management

District excludes the Los Angeles County portion of the Southeast Desert AQMD, otherwise known as the Antelope Valley Region in Los Angeles County, which is now under the jurisdiction of the Antelope Valley Air Pollution Control District as of July 1, 1997. The rule being proposed for approval into the California SIP is South Coast Air Quality Management District (SCAQMD) Rule 1113, Architectural Coatings. This rule was submitted by the California Air Resources Board to EPA on November 26, 1996.

II. Background

On March 3, 1978, EPA promulgated a list of ozone nonattainment areas under the provisions of the Clean Air Act, as amended in 1977 (1977 CAA or pre-amended Act), that included the Los Angeles-South Coast Air Basin Area. 43 FR 8964; 40 CFR 81.305. On May 26, 1988, EPA notified the Governor of California, pursuant to section 110(a)(2)(H) of the pre-amended Act, that the above district's portions of the California SIP were inadequate to attain and maintain the ozone standard and requested that deficiencies in the existing SIP be corrected (EPA's SIP-Call).

On November 15, 1990, the Clean Air Act Amendments of 1990 were enacted. Pub. L. 101-549, 104 Stat. 2399, codified at 42 U.S.C. 7401-7671q. Section 110(a)(2)(A) of the Act requires that plans which are submitted to the EPA in order to achieve or maintain the National Ambient Air Quality Standards (NAAQS) contain enforceable emission limitations. The Los Angeles-South Coast Air Basin Area has retained its designation of nonattainment and is classified as extreme.¹

The State of California submitted many rules for incorporation into its SIP on November 26, 1996, including the rule being acted on in this document. This document addresses EPA's proposed action for South Coast Air Quality Management District Rule 1113, Architectural Coatings. The South Coast Air Quality Management District adopted Rule 1113 on November 8, 1996. This submitted rule was found to be complete on February 11, 1997 pursuant to EPA's completeness criteria that are set forth in 40 CFR part 51, appendix V² and is being proposed for approval into the SIP.

¹ The Los Angeles-South Coast Air Basin Area retained its designation of nonattainment and was classified by operation of law pursuant to sections 107(d) and 181(a) upon the date of enactment of the CAA. See 56 FR 56694 (November 6, 1991).

² EPA adopted the completeness criteria on February 16, 1990 (55 FR 5830) and, pursuant to

The South Coast Air Quality Management District Rule 1113 controls volatile organic compound (VOC) emissions from architectural coatings. VOCs contribute to the production of ground-level ozone and smog. This rule was adopted as part of the district's efforts to achieve the NAAQS for ozone and in response to EPA's SIP-Call and the section 110(a)(2)(A) CAA requirement. The following is EPA's evaluation and proposed action for this rule.

III. EPA Evaluation and Proposed Action

In determining the approvability of a VOC rule, EPA must evaluate the rule for consistency with the requirements of the CAA and EPA regulations, as found in section 110 and part D of the CAA and 40 CFR part 51 (Requirements for Preparation, Adoption, and Submittal of Implementation Plans).

In addition, this rule was evaluated against the general requirements of the Clean Air Act (section 110 and part D), 40 CFR part 52, "Issues Relating to VOC Regulation Cutpoints, Deficiencies, and Deviations—Clarification to Appendix D of November 24, 1987 **Federal Register**" (EPA's "Blue Book"), and the EPA Region IX—California Air Resources Board document entitled "Guidance Document for Correcting VOC Rule Deficiencies" (April 1991). In general, these guidance documents have been set forth to ensure that VOC rules are fully enforceable and strengthen or maintain the SIP.

On January 24, 1985, EPA approved into the SIP a version of Rule 1113, Architectural Coatings that had been adopted by the SCAQMD on March 16, 1984. The version of Rule 1113 currently included in the SIP was also used to evaluate the version being proposed for approval. The SCAQMD Rule 1113 submitted on November 26, 1996 includes the following significant changes from the current SIP:

- Addition, deletion, and consolidation of definitions (section (b));
- Future low-VOC limits for the following coating categories: flats, lacquers, multi-color, and traffic coatings (section (c)(2));
- VOC content limits for the following specialty coating categories: japans, magnesite, and fire-proofing coatings (section (c)(2));
- VOC content limits for previously exempted specialty coating categories (section (c)(2));

section 110(k)(1)(A) of the CAA, revised the criteria on August 26, 1991 (56 FR 42216).

- Requirement that VOC containing materials must be stored in closed containers (section (c)(5));
 - Averaging provision to allow manufacturers to average the VOC content of their flat coatings, on a sales weighted basis (section (c)(6) and appendix A);
 - Language clarifying how exceedances of allowable emissions will be handled when a source uses averaging (appendix A);
 - Labeling requirements for quick-dry enamels and quick-dry primers, sealers, and undercoaters (section (d)(4));
 - Test methods for determining VOC content, acid content, metal content, flame spread index, drying times, and gloss (section (e));
 - Technology assessment for flat and lacquer coating categories (section (f));
 - Additional reporting requirements for manufacturers utilizing the exemption for quick-dry primers, sealers, and undercoaters (section (g)(2));
 - Exemption for lacquers to add up to 10% retarder above the VOC limit during cool, humid days to prevent blushing of acetone formulated lacquers with a maximum VOC content of 550 g/L (section (g)(3)); and
 - Small business exemption from lower future effective VOC limits for lacquers and flats (section (g)(4)). In the aggregate, these changes to the SIP approved rule provide additional flexibility and recognition of some specialty products without relaxing the requirements of the rule.
- The SCAQMD staff report for Rule 1113 projects that the submitted rule will reduce VOC emissions from architectural coatings by 17.2% by the year 2010. In contrast, control measure CTS-07 of SCAQMD's 1994 Air Quality Management Plan (AQMP) commits SCAQMD to reduce architectural coating emissions by 75% by 2010. EPA approved the 1994 AQMP, and thus the 75% commitment, into the SIP on September 26, 1996 (52 FR 1150, January 8, 1997). The AQMP relies on the concept that each industry will reduce its fair share of emissions. Therefore, the 17.2% reduction is "only a fraction of the 75% emission reduction that will eventually be required from AIM coatings to provide their fair share of the required emission reductions" (page 8, District staff recommendation to Board regarding Board meeting to be held on November 8, 1996 to amend Rule 1113).

EPA has evaluated the submitted rule and has determined that it is enforceable and strengthens the applicable SIP. Therefore, South Coast Air Quality Management District Rule

1113, Architectural Coatings is being proposed for approval under section 110(k)(3) of the CAA in light of EPA's authority pursuant to section 301(a) to adopt regulations necessary to further air quality by strengthening the SIP. The submitted version of Rule 1113 strengthens the SIP by updating a portion of the SIP for the Los Angeles Air Basin that has not been revised since 1985. EPA notes, however, that the submitted rule does not fulfill SCAQMD's SIP-approved commitment in CTS-07 to reduce VOCs from architectural coatings by 75%. Air quality progress and attainment of the public health-based ozone standard both require that the District pursue expeditiously further emission reductions from this large segment of the South Coast VOC emissions inventory.

Nothing in this action should be construed as permitting or allowing or establishing a precedent for any future request for revision to any state implementation plan. Each request for revision to the state implementation plan shall be considered separately in light of specific technical, economic, and environmental factors and in relation to relevant statutory and regulatory requirements.

IV. Administrative Requirements

A. Executive Order 12866

The Office of Management and Budget (OMB) has exempted this regulatory action from Executive Order (E.O.) 12866 review.

The proposed rule is not subject to E.O. 13045, entitled "Protection of Children from Environmental Health Risks and Safety Risks," because it is not an "economically significant" action under E.O. 12866.

B. Regulatory Flexibility Act

Under the Regulatory Flexibility Act, 5 U.S.C. 600 *et seq.*, EPA must prepare a regulatory flexibility analysis assessing the impact of any proposed or final rule on small entities. 5 U.S.C. 603 and 604. Alternatively, EPA may certify that the rule will not have a significant impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and government entities with jurisdiction over populations of less than 50,000.

SIP approvals under sections 110 and 301, and subchapter I, part D of the Clean Air Act do not create any new requirements but simply approve requirements that the State is already imposing. Therefore, because the Federal SIP approval does not impose

any new requirements, the Administrator certifies that it does not have a significant impact on any small entities affected. Moreover, due to the nature of the Federal-State relationship under the CAA, preparation of a flexibility analysis would constitute Federal inquiry into the economic reasonableness of state action. The Clean Air Act forbids EPA to base its actions concerning SIPs on such grounds. *Union Electric Co. v. U.S. EPA*, 427 U.S. 246, 255-66 (1976); 42 U.S.C. 7410(a)(2).

C. Unfunded Mandates

Under section 202 of the Unfunded Mandates Reform Act of 1995 ("Unfunded Mandates Act"), signed into law on March 22, 1995, EPA must prepare a budgetary impact statement to accompany any proposed or final rule that includes a Federal mandate that may result in estimated costs to State, local, or tribal governments in the aggregate; or to the private sector, of \$100 million or more. Under section 205, EPA must select the most cost-effective and least burdensome alternative that achieves the objectives of the rule and is consistent with statutory requirements. Section 203 requires EPA to establish a plan for informing and advising any small governments that may be significantly or uniquely impacted by the rule.

EPA has determined that the approval action proposed does not include a Federal mandate that may result in estimated costs of \$100 million or more to either State, local, or tribal governments in the aggregate, or to the private sector. This Federal action approves pre-existing requirements under State or local law, and imposes no new Federal requirements. Accordingly, no additional costs to State, local, or tribal governments, or to the private sector, result from this action.

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Hydrocarbons, Intergovernmental relations, Ozone, Reporting and recordkeeping requirements, Volatile organic compound.

Authority: 42 U.S.C. 7401 *et seq.*

Dated: June 7, 1998.

Felicia Marcus,

Regional Administrator, Region IX.

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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[OH116-1; FRL-6112-8]

Approval and Promulgation of Maintenance Plan Revisions; Ohio

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The United States Environmental Protection Agency (EPA) is proposing to approve an April 27, 1998, request from Ohio, for State Implementation Plan (SIP) maintenance plan revision for the Dayton-Springfield (Montgomery, Clark, Greene and Miami Counties) ozone maintenance area. The revision would remove the air quality triggers from the area's contingency plan. The contingency plans were included in the areas' maintenance plan to correct violations of the one hour ozone National Ambient Air Quality Standard (NAAQS), which has been proposed to be revoked for this area.

DATES: Written comments on this proposal must be received on or before July 20, 1998.

ADDRESSES: Copies of the documents relevant to this action are available for inspection during normal business hours at the following location: Regulation Development Section, Air Programs Branch, (AR-18J), U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604.

Please contact Scott Hamilton at (312) 353-4775 before visiting the Region 5 office.

Written comments should be sent to: J. Elmer Bortzer, Chief, Regulation Development Section, Air Programs Branch, (AR-18J), U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604.

FOR FURTHER INFORMATION CONTACT: Scott Hamilton, Environmental Scientist, Regulation Development Section, Air Programs Branch (AR-18J), U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, (312) 353-4775.

SUPPLEMENTARY INFORMATION:

I. Attainment Areas in Ohio

Since the initial Clean Air Act (CAA) attainment status designations were made, the Dayton area has attained the one hour ozone standard and has been redesignated to attainment status for ozone. As a requirement to being redesignated to attainment status, the