

1852.214-70 Caution to Offerors Furnishing Descriptive Literature.

As prescribed in 1814.201-670(a), insert the following provision:

Caution to Offerors Furnishing

Descriptive Literature

(DECEMBER 1988)

Bidders are cautioned against furnishing as a part of their bids descriptive literature that includes language reserving to the bidder the right to deviate from the requirements of the invitation for bids. Statements that "Data are subject to change without notice," "Prices subject to change without notice," or words having a similar effect are examples of such reservation. The Government will reject as nonresponsive any bid that incorporates literature containing such language or any bid that must be evaluated by using literature containing such language. Bidders should clearly label any submissions of descriptive literature not intended to form a part of a bid as such in order to preclude any need for the Government to interpret the bidder's intent in submitting descriptive literature. [See FAR 14.202-5.]

(End of provision)

1852.214-71 Grouping for Aggregate Award.

As prescribed in 1814.201-670(c), insert the following provision:

Grouping for Aggregate Award

(MARCH 1989)

(a) The Government will evaluate offers and make award on a basis of the aggregate offers for items

Insert the item numbers and/or descriptions.

The Government will not consider an offer for quantities less than those specified for these items.

(b) If this is an invitation for bids, the Government will reject as nonresponsive a bid that is not made on the total quantities for all of the items specified in paragraph (a) of this section.

(End of provision)

1852.214-72 Full Quantities.

As prescribed in 1814.201-670(b), insert the following provision:

FULL QUANTITIES

(DECEMBER 1988)

The Government will not consider an offer for quantities of items less than those specified. If this is an invitation for bids, the Government will reject as nonresponsive a bid that is not made on full quantities.

(End of provision)

PART 1871—MIDRANGE PROCUREMENT PROCEDURES**1871.103 [Amended]**

21. Paragraph (b) to section 1871.103 is revised to read as follows:

1871.103 Applicability.

(a) * * *

(b) This part applies to all contract actions the aggregate amount of which is greater than the simplified acquisition threshold (SAT) (FAR part 13) and not more than \$1,000,000 in basic value and for commercial items regardless of dollar value to the extent consistent and compliant with FAR part 12 and part 1812 (see 1812.102(c)). For service contracts, up to four annual options of not more than \$1,000,000 each are permitted where the option requirements are substantially the same as the basic requirement. For R&D contracts, options are permitted not to exceed \$1,000,000 in total value (basic contract plus options). For supply contracts, four options of not more than \$1,000,000 each are permitted when not more than \$1,000,000 in funding is to be required in any fiscal year. The total amount of the basic award plus options may not exceed \$5,000,000 in either the case of supplies or services except as provided in paragraph (c) of this section. For commercial item contracts, options are permitted regardless of dollar value.

* * * * *

1871.401-6 [Amended]

22. In section 1871.401-6, paragraph (a)(2) is revised to read as follows:

1871.206-1 Commercial Items.

(a) Policy.

(1) * * *

(2) MidRange Procedures may be used for commercial item procurements to the extent consistent and compliant with FAR part 12 and part 1812 (see 1812.102(c)).

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[FR Doc. 96-22234 Filed 9-5-96; 8:45 a.m.]

BILLING CODE 7510-01-M

48 CFR Parts 1845, 1852 and 1853**Revision to NASA FAR Supplement Coverage on Government Property**

AGENCY: Office of Procurement, Contract Management Division, National Aeronautics and Space Administration (NASA).

ACTION: Final rule.

SUMMARY: This is a final rule amending the NASA FAR Supplement to incorporate changes pertaining to government property reporting by contractors. The intent of this rule is to improve the completeness, accuracy and timeliness of the reporting process.

EFFECTIVE DATE: September 6, 1996.

FOR FURTHER INFORMATION CONTACT:

Larry G. Pendleton, (202) 358-0487.

SUPPLEMENTARY INFORMATION:**Background**

Recent experience at NASA in preparing and auditing annual financial statements as required by the Chief Financial Officer's (CFO) Act has led to the need for changes in the contract property reporting process to improve the completeness, accuracy and timeliness of information received. NASA does not maintain detailed records of government property in the possession of contractors. Pursuant to the Federal Acquisition regulation (FAR) 45.505 the contractor's property control records constitute the Government's official property records. All NASA contracts, under which the contractor is accountable for government property, are required to contain a provision that specifies the annual submission of a report containing summary financial and property information on the property in the contractor's custody. Therefore, when agency requirements for financial/property management information change, they must be implemented by NASA contractors in possession of government property. In formulating the rule, NASA objectives have been to streamline the report to obtain only information necessary to report on and conduct oversight of contractor held property, and to generally minimize the impact on reporting entities.

Summary of Substantive Comments

One comment objected to the inclusion of data on costs for construction-in-progress and work-in-process on the grounds that such requirements are inappropriate in a property reporting system, and that the information is not currently available from contractor property records. This data is necessary for NASA to comply with Office of Management and Budget (OMB) guidance on the form and content of federal agency financial statements, and with the forthcoming accounting standard on property, plant, and equipment to be issued by the Federal Accounting Standards Advisory Board (FASAB). NASA Form (NF) 1018 is a financial report about government property in the possession of contractors. Therefore, contractors may be required to extract financial information from other contractor record systems instead of exclusive reliance on existing property systems for needed information. The commenter acknowledged that the required information is available from other contractor records. In addition, contractors are required by FAR 45.505(b) to provide financial accounts

in their property control systems for government-owned property in their possession or control. The order of property classification accounts on NF 1018 has been changed as suggested by public comment to group real property accounts together.

Another comment objected to NF 1018 Item 19, Type of Deletion as requiring major property record system changes in order to furnish this level of detail. This category is new in name only, currently being categorized as Disposals on the present form. Detailed lists of information about these disposals are now required to be maintained by contractors in the event they are needed by NASA organizations. Replacing Disposals with Type of Deletion will generate no new information requirements for contractors, and will make reporting more complete, accurate, and comparable among contractors by standardizing the way in which deletion types are provided to the government. However, as recommended by the commenter, the types of deletions have been rearranged, two types have been combined, and three have been deleted since they are part of the plant clearance process.

There was objection in one comment to a proposed requirement that property shipped to others remain on the shipping contractor's accountable records until evidence of receipt is obtained from the consignee. The comment pointed out that receiving contractors do not normally acknowledge receipt, and that issues of liability, taxable location, and new suspense systems were raised by the proposed requirement. While NASA does not agree that all of the issues raised by the comment are valid, there are acknowledged difficulties in tracking items assigned to a carrier for shipment. The objective sought by the proposed arrangement is clear and consistent accountability for government property at all times. Based upon the concerns expressed in the comment, the final rule will be changed to provide that property in transit during the month of September of each year shall be reported by the shipping contractor, unless confirmation of receipt at destination has been obtained.

Objection was made in another comment to the revised contract clause that provides for possible withholding of payment on invoices when required property reports are not submitted when due. Prompt receipt of these reports is critical to NASA's ability to prepare annual financial reports, obtain audit review, and publish them when due as required by law. Submission of property

reports when required is a contractual obligation resulting from a specific provision in each affected contract with which contractors have agreed by executing the contract. However, in response to the concerns expressed in the comment, the final rule limits possible withholding to a total of \$25,000 or 5 percent of the amount of the contract, whichever is less. In addition, explanatory language has been added to the prescription for the clause making clear the importance of timely report submission and encouraging efforts to obtain reports by the due date rather than using the withholding authority.

Another comment noted that there is an effort underway to develop a standard, government-wide property report and recommends that NASA delay consideration of this rule pending the results of that effort. Alternatively, the commenter recommends a public hearing to address its comments. NASA is represented on the interagency group that is rewriting FAR Part 45, and the subgroup considering a government standard form. It is not known when these groups will complete their work and revise the relevant regulations. The revisions contained in the proposed rule must be made without further delay to allow NASA to fulfill its financial management obligations. Public comment on the proposed rule was received from only one organization. Due to this low level of expressed interest, a public hearing will not be scheduled.

Procedural Requirements

Review Under the Regulatory Flexibility Act

This rule was reviewed under the Regulatory Flexibility Act of 1980. The rule revises the former regulation by simplifying and reducing reporting requirements, the costs of which are in any case reimbursed by the Government. NASA certifies that the rule will not have a significant economic impact on a substantial number of small entities.

Review Under the Paperwork Reduction Act

Under 5 CFR 1320.5(b)(2)(i), NASA is required to inform potential persons who are to respond to the collection of information that such persons are not required to respond to the collection of information unless it displays a currently valid OMB control number. Under 5 CFR 1320.5(b)(2)(ii)(C), this paragraph meets that display requirement by providing the following statement: Information collection

associated with this rule has been approved under OMB Control Number(s) 2700-0017 with an expiration date of 12/31/98. This information collection, as revised, represents a reduction in the estimated paperwork burden to respondents from the present reporting requirements. The reporting format has been reduced from 4 pages to 2, and has been streamlined to facilitate preparation and to clarify reporting requirements. Completion of the information collection merely requires contractors to transcribe data from existing contractor records onto the report.

List of Subjects in 48 CFR Parts 1845, 1852 and 1853

Government procurement.

Tom Luedtke,

Deputy Associate Administrator for Procurement.

Accordingly, 48 CFR Parts 1845, 1852, and 1853 are amended as follows:

1. The authority citation for 48 CFR Parts 1845, 1852, and 1853 continues to read as follows:

Authority: 42 U.S.C. 2473(c)(1).

PART 1845—GOVERNMENT PROPERTY

2. Section 1845.102-70(a)(3) is revised to read as follows:

1845.102-70 Procedures.

(a) * * *

(3) Requirement that additional facilities that the offeror requests to be provided by the Government be described and identified by classification such as "Land", "Buildings", and "Equipment" (see subpart 1845.71); and

* * * * *

1845.106-70 [Amended]

3. In section 1845.106-70, paragraph (d) is revised to read as follows, paragraph (i) is removed and paragraphs (j) and (k) are redesignated as paragraphs (i) and (j):

1845.106-70 NASA contract clauses and solicitation provision.

* * * * *

(d)(1) The contracting officer shall insert the clause at 1852.245-73, Financial Reporting of NASA Property in the Custody of Contractors, in all cost reimbursement contracts. It shall be included in all other types of contracts when it is known at the time of award that property will be provided to the contractor or that the contractor will acquire property, title to which will vest in the Government prior to delivery of the contract products. Where all

property to be provided is subject to the clause at 1852.245-71, Installation-Provided Government Property (see paragraph (b) of this section), the clause at 1852.245-73 is not required. Where the clause is not included in contracts at the time of award, if Government property is subsequently provided to a contractor, or the contractor is authorized to acquire property to which the Government takes title, the clause shall be included in the contract at that time.

(2) Paragraph (c) of the clause at 1852.245-73 permits the contracting officer to withhold payments, up to a specified dollar limit, in the event a contractor fails to submit the annual NF 1018 by the due date. This provision reflects the importance to NASA of receiving this financial data on time. Upon receipt, the information is entered into the NASA accounting system and is used in the preparation of agency annual financial statements. Therefore, timely receipt of contractor held property financial data is essential to the process. A concerted effort should be made to obtain NF 1018 reports by the due date before resorting to the payment withholding alternative.

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1845.301 [Amended]

4. In section 1845.301, the definition heading "Space property" is revised to read "Agency-peculiar property".

1845.407 [Amended]

5. In section 1845.407, the section heading "Non-Government use of plant equipment" is revised to read "Non-Government use of equipment".

6. In the introductory text to section 1845.407, the phrase "plant equipment" is revised to read "equipment".

7. In paragraphs (a) (1) and (b) to section 1845.407, the phrase "plant equipment" is revised to read "equipment".

1845.501 [Amended]

8. In section 1845.501, in the definition of "Space property", the heading "Space property" is revised to read "Agency-peculiar property", the phrase "property peculiar to NASA" is revised to read "property unique to NASA", and the last sentence is removed.

9. In section 1845.501, in the definition "Centrally reportable equipment (CRE)", the phrase "space property" is revised to read "agency-peculiar property".

1845.502-1 [Amended]

10. In section 1845.502-1, the title of the NASA Form 1018 "Report of

Government-Owned/Contractor-Held Property" is revised to read "NASA Property in the Custody of Contractors".

1845.502-71 [Amended]

11. In paragraph (e) to section 1845.502-71, the heading "Space Property" is revised to read "Agency-peculiar property".

12. Section 1845.505-14 is revised to read as follows:

1845.505-14 Reports of Government property.

When required by the contract, the contractor shall submit a report of NASA Property in the Custody of Contractors, NASA Form 1018, in accordance with the instructions on the form, in subpart 1845.71, and the contract clause at 1852.245-73. Contractor property control systems shall distinguish between Government furnished and contractor acquired property classification shown in FAR 45.505-14(a) (1) through (5).

1845.7101 [Amended]

13. In 1845.7101 the last sentence is removed and the following three sentences are added to read as follows:

* * * This report provides information for NASA financial statements and property management; accuracy and timeliness of the report are, therefore, very important. Contractors shall retain documents which support the data reported on NF 1018 in accordance with FAR subpart 4.7, Contractor Records Retention. Classifications of property, related costs to be reported, and reporting requirements are set forth in this subpart.

14. Sections 1845.7101-1, 1845.7101-2, 1845.7101-3, 1845.7101-4 and 1845.7101-5 are revised to read as follows:

1845.7101-1 Property classification.

(a) Contractors shall report costs in the classifications required on NF 1018, as described in this section. For Land, Buildings, Other Structures and Facilities, and Leasehold Improvements, contractors shall report the amount for all items with a unit cost of \$5,000 or more and useful life of 2 years or more. For Plant Equipment, Special Tooling, Special Test Equipment and Agency-Peculiar Property, Contractors shall separately report—

(1) The amount for all items with a unit cost of \$5,000 or more and a useful life of 2 years or more, and

(2) All times under \$5,000, regardless of useful life.

(b) Contractors shall report the amount for all Materials, regardless of unit cost.

(c) Land. Includes costs of land, improvements to land, and associated costs incidental to acquiring and preparing land for use, for example; appraisal fees, clearing costs, drainage, grading, landscaping, plats and surveys, removal and relocation of the property of others as part of a land purchase, removal or destruction of structures or facilities purchased but not used, and legal expenses.

(d) Buildings. Includes costs of buildings, improvements to buildings, and fixed equipment required for the operation of a building which is permanently attached to and a part of the building and cannot be removed without cutting into the walls, ceilings, or floors. Examples of fixed equipment required for the functioning of a building include plumbing, heating and lighting equipment, elevators, central air conditioning systems, and built-in safes and vaults.

(e) Other structures and facilities. Includes costs of acquisitions and improvements of structures and facilities other than buildings; for example, airfield pavements, harbor and port facilities, power production facilities and distribution systems, reclamation and irrigation facilities, flood control and navigation aids, utility systems (heating, sewage, water and electrical) when they serve several buildings or structures, communication systems, traffic aids, roads and bridges, railroads, monuments and memorials, and nonstructural improvements, such as sidewalks, parking areas, and fences.

(f) Leasehold improvements. Includes costs of improvements to leased buildings, structures, and facilities, as well as easements and right-of-way, where NASA is the lessee or the cost is charged to a NASA contract.

(g) Equipment. Includes costs of commercially available personal property for use in manufacturing supplies, performing services, or any general or administrative purpose; for example, machine tools, furniture, vehicles, computers, accessory or auxiliary items, and test equipment.

(h) Construction in progress. Includes costs for work in process for the construction of Buildings, Other Structures and Facilities, and Leasehold Improvements to which NASA has title.

(i) Special tooling. Includes costs of equipment and manufacturing aids (and components and replacements of these items) that are of such a specialized nature that, without substantial modification or alteration, their use is limited to the development or production of particular supplies or parts, or to the performance of particular services. Examples include jigs, dies,

fixtures, molds, patterns, taps and gauges.

(j) Special test equipment. Includes costs of equipment used to accomplish special purpose testing in performing a contract, and items or assemblies of equipment.

(k) Material. Includes costs of NASA owned property held in inventory that may become a part of an end item or be expended in performing a contract. Examples include raw and processed material, parts, assemblies, small tools and supplies. Does not include material that is part of work in process.

(l) Agency-peculiar property. Includes actual or estimated costs of completed items, systems and subsystems, spare parts and components unique to NASA aeronautical and space programs. Examples include aircraft, engines, satellites, instruments, rockets, prototypes and mock-ups. The amount of property, title to which vests in the Government as a result of progress payments to fixed price subcontractors, shall be included to reflect the pro rata cost of undelivered agency-peculiar property.

(m) Contract work-in-process. Includes the costs of all work-in-process and excludes the costs of completed items reported in other categories.

1845.7101-2 Transfers of property.

The procedures in this section apply to all types of transfers. Only Government installations may furnish Government property to a contractor. Therefore, procurement, property, and financial organizations at NASA Centers must effect all transfers of accountability, although physical shipment and receipt of property may be made directly by contractors. Such transfers include shipments between contractors of the same installation, contractors of different installations, a contractor of one installation to another installation, an installation to a contractor of another installation, and a contractor to another Government agency or its contractor. So that NASA may properly control and account for transfers, they shall be adequately documented. The procedures described in this section shall be followed in all cases, to provide an administrative and audit trail, even if property is physically shipped directly from one contractor to another. Property shipped between September 1 and September 30, inclusively, shall be reported by the shipping contractor, regardless of the method of shipment, unless written evidence of receipt at destination has been received. Property provided under fixed price repair contracts remains accountable to the cognizant NASA

Center and is not reportable on NF 1018; property provided for repair under a cost-reimbursement contract, however, is accountable to the contractor and reportable on NF 1018.

(a) Approval and notification. The contractor must obtain the approval of the contracting officer or designee for transfers of property before shipment. Each shipping document must contain contract numbers, shipping references, property classifications in which the items are recorded, unit prices, and any other appropriate identifying or descriptive data. Unit prices shall be obtained from records maintained pursuant to FAR part 45 and part 1845 of this chapter. Shipping contractors shall furnish a copy of the shipping document to the cognizant property administrator. Shipping and receiving contractors shall promptly notify the financial management office of the NASA Center responsible for their respective contracts when accountability for Government property is transferred to, or received from, other contracts, contractors, NASA Centers or Government agencies. Copies of shipping or receiving documents will suffice as notification in most instances.

(b) Reclassification. If property is transferred to another contract or contractor, the receiving contractor shall record the property in the same property classification and amount appearing on the shipping document. For example, when a contractor receives an item from another contractor that is identified on the shipping document as equipment, but that the recipient intends to incorporate into special test equipment, the recipient shall first record the item in the equipment account and subsequently reclassify it as special test equipment. Reclassification of equipment, special tooling, special test equipment, or agency-peculiar property requires prior approval of the contracting officer or a designee.

(c) Incomplete documentation. If contractors receive transfer documents having insufficient detail to properly record the transfer (e.g., omission of property classification, unit prices, etc.) they shall request the omitted data directly from the shipping contractor or through the property administrator as provided in FAR 45.505-2.

1845.7101-3 Computing costs of fabricated special tooling, special test equipment, agency-peculiar property and contract work in process.

(a) Costs shall be computed in accordance with accepted accounting principles, be reasonably accurate, and be the product of any one or a combination of, the following:

(1) Abstracts of cost data from contractor property or financial records.

(2) Computations based on engineering and financial data.

(3) Estimates based on NASA Form 533 reports.

(4) Formula procedures (e.g., using a 50 percent factor for work in process items, on the basis of updated Standard Form 1411 estimates or the contractor's approved estimating and pricing system).

(5) Other approved methods.

(b) Contractors shall report costs using records that are part of the prescribed property or financial control system as provided in this section. Fabrication costs shall be based on approved systems or procedures and shall include all direct and indirect costs of fabricating Government property.

(c) The contractor shall redetermine the costs of items returned for modification or rehabilitation.

(d) The computation of work in process shall include the costs of associated systems, subsystems, and spare parts and components furnished or acquired and charged to work in process pending incorporation into a finished item. These types of items make up what is sometimes called production inventory and include programmed extra units to cover replacement during the fabrication process (production spares). Also included are deliverable items on which the contractor or a subcontractor has begun work, and materials that have been issued from inventory.

1845.7101-4 Type of deletion.

Contractors shall report the types of deletions from contract property records as described in this section.

(a) Adjusted. Changes in the deletion amounts, if any, that result from mathematical errors in the previous report.

(b) Lost, damaged or destroyed. Deletion amounts as a result of relief from responsibility under FAR 45.503 granted during the reporting period.

(c) Transferred in place. Deletion amounts that result from a transfer of property to a follow-on contract with the same contractor.

(d) Transferred to center accountability. Deletion amounts that result from transfer of accountability to the NASA Center responsible for the contract, whether or not the items are physically moved.

(e) Transferred to another NASA Center. Deletion amounts caused by transfer of accountability to NASA Center other than the one responsible for the contract, whether or not the items are physically moved.

(f) Transferred to another Government agency. Deletion amounts that result from transfer of property to another Government agency.

(g) Purchased at cost/returned for credit. Deletion amounts due to contractor purchase or retention of contractor acquired property as provided in FAR 45.605-1; or to contractor returns to suppliers under FAR 45.605-2.

(h) Disposal through plant clearance process. Deletions other than transfers; i.e., donations to eligible recipients, sold at less than cost, or abandoned/directed destruction.

1845.7101-5 Contractor's privileged financial and business information.

If a transfer of property between contractors will involve disclosing costs of a proprietary nature, the contractor shall furnish unit prices only on those copies of the shipping documents that are sent to the shipping and receiving NASA installations. Transfer of the property to the receiving contractor shall be on a no-cost basis.

1845.7101-6 [Redesignated]

1845.7101-7, 1845.7101-8, 1845.7101-9 [Removed]

15.-16. Sections 1845.7101-7, 1845.7101-8, and 1845.7101-9 are removed.

1845.7101-10 [Redesignated]

PART 1852—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

17.-18. Section 1852.245-73 is revised to read as follows:

1852.245-73 Financial reporting of NASA property in the custody of contractors.

As prescribed in 1845.106-70(d), insert the following clause:

Financial Reporting of NASA Property in the Custody of Contractors
Sept. 1996

(a) The Contractor shall submit annually a NASA Form (NF) 1018, NASA Property in the Custody of Contractors, in accordance with 1845.505-14, the instructions on the form, and subpart 1845.71. Subcontractor use of NF 1018 is not required by this clause; however, the contractor shall include data on property in the possession of subcontractors in the annual NF 1018.

(b) If administration of this contract has been delegated to the Department of Defense, the original of NASA Form 1018 shall be submitted to the NASA installation Financial Management Officer and three copies shall be sent concurrently through the DOD Property Administrator to the NASA office identified below. If the contract is administered to NASA, the original of NF 1018 shall be submitted to the installation Financial

Management Officer, and three copies shall be sent concurrently to the following NASA office:

(Insert the address and office code of the organization within the cognizant NASA installation.)

(c) The annual reporting period shall be from October 1 of each year through September 30 of the following year. The report shall be submitted in time to be received by October 31. The information contained in these reports is entered into the NASA accounting system to reflect current asset values for agency financial statement purposes. Therefore, it is essential that required reports be received no later than October 31. The Contracting Officer may, in the Government's interest, withhold payment until a reserve not exceeding \$25,000 or 5 percent of the amount of the contract, whichever is less, has been set aside, if the Contractor fails to submit annual NF 1018 reports when due. Such reserve shall be withheld until the Contracting Officer has determined that the required reports have been received by the Government. The withholding of any amount or the subsequent payment thereof shall not be construed as a waiver of any Government right.

(d) A final report is required within 30 days after disposition of all property subject to reporting when the contract performance period is complete.

(End of clause)

1852.245-78 [Removed]

19. Section 1852.245-78 is removed.

PART 1853—FORMS

20. Section 1853.245(a) is revised to read as follows:

1853.245 Property (NASA Form 1018, Department of Defense Form 1342, and Department of Defense Form 1419).

(a) NASA Form 1018, NASA Property in the Custody of Contractors. NASA Form 1018, prescribed at 1845.505-14, shall be used by contractors for reporting Government-owned property.

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[FR Doc. 96-22372 Filed 9-5-96; 8:45 am]

BILLING CODE 7510-01-M

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

49 CFR Part 571

[Docket No. 93-02; Notice 14]

RIN 2127-AF14

Federal Motor Vehicle Safety Standards; Compressed Natural Gas Fuel Container Integrity

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

ACTION: Final rule, petitions for reconsideration.

SUMMARY: In response to petitions for reconsideration, this document amends certain labeling requirements in Standard No. 304, *Compressed Natural Gas Fuel Container Integrity*. Specifically, this document modifies the labeling requirements with respect to the inspection interval and deletes reference to certain pamphlets. The amendments harmonize Standard No. 304 with voluntary industry and international standards, without any detriment to safety.

DATES: *Effective date:* The amendment in this document becomes effective December 2, 1996. Prior to December 2, 1996, a manufacturer is not required to comply with S7.4(g), which specifies a labeling requirement regarding container inspections and the appropriate interval between them.

Petitions for reconsideration: Any petition for reconsideration of this rule must be received by NHTSA no later than October 21, 1996.

ADDRESSES: Petitions for reconsideration of this rule should refer to the above mentioned docket number and be submitted to: Administrator, National Highway Traffic Safety Administration, 400 Seventh Street, SW., Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT:

For non legal issues: Mr. Charles Hott, National Highway Traffic Safety Administration, 400 Seventh Street, SW., Washington, DC 20590 (Telephone 202-366-0247).

For legal issues: Mr. Marvin L. Shaw, NCC-20, Rulemaking Division, Office of Chief Counsel, National Highway Traffic Safety Administration, 400 Seventh Street, SW., Washington, DC 20590 (202-366-2992).

SUPPLEMENTARY INFORMATION:

I. Regulatory Background

On September 26, 1994, NHTSA published a final rule establishing Standard No. 304, *Compressed Natural Gas Fuel Container Integrity*. (59 FR 49021) In addition to container performance requirements, the Standard also specifies labeling requirements. Each CNG container manufacturer must permanently label each of its containers with the following information: (1) The statement that "If there is a question about the proper use, installation, or maintenance of this container, contact [CNG fuel container manufacturer's name, address, and telephone number]"; (2) the month and year in which the container was manufactured;