

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).

If the conditional approval is converted to a disapproval under section 110(k), based on the State's failure to meet the commitment, it will not affect any existing state requirements applicable to small entities. Federal disapproval of the state submittal does not affect its state-enforceability. Moreover, EPA's disapproval of the submittal does not impose a new Federal requirement. Therefore, I certify that this proposed disapproval action does not have a significant impact on a substantial number of small entities because it does not remove existing requirements nor does it substitute a new Federal requirement.

The EPA's alternative proposed disapproval of the State request under section 110 and subchapter I, part D of the Act would not affect any existing requirements applicable to small entities. Any pre-existing Federal requirements would remain in place after this disapproval. Federal disapproval of the State submittal does not affect State-enforceability. Moreover EPA's disapproval of the submittal would not impose any new Federal requirements. Therefore, I certify that the proposed disapproval would not have a significant impact on a substantial number of small entities.

G. 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 annual costs to State, local, or tribal governments in the aggregate; or to 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 this proposed approval action does not include a Federal mandate that may result in estimated annual 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 requirements. Accordingly, no additional costs to State, local, or tribal governments, or to the private sector, result from this action.

Sections 202 and 205 do not apply to the proposed disapproval because the proposed disapproval of the SIP submittal would not, in and of itself, constitute a Federal mandate because it would not impose an enforceable duty on any entity. In addition, the Act does not permit EPA to consider the types of analyses described in section 202 in determining whether a SIP submittal meets the CAA. Finally, section 203 does not apply to the proposed disapproval because it would affect only the District of Columbia, the State of Maryland and the Commonwealth of Virginia, which are not small governments.

H. National Technology Transfer and Advancement Act

Section 12 of the National Technology Transfer and Advancement Act (NTTAA) of 1995 requires Federal agencies to evaluate existing technical standards when developing a new regulation. To comply with NTTAA, EPA must consider and use "voluntary consensus standards" (VCS) if available and applicable when developing programs and policies unless doing so would be inconsistent with applicable law or otherwise impractical.

EPA believes that VCS are inapplicable to this action. Today's proposed action does not require the public to perform activities conducive to the use of VCS.

This proposed rule regarding the 1-hour ozone attainment demonstration and the 1996–1999 ROP plan for the Washington area does not impose an information collection burden under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Intergovernmental relations, Nitrogen dioxide, Ozone, Volatile organic compounds.

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

Dated: January 24, 2003.

James J. Burke,

Acting Regional Administrator, Region III.
[FR Doc. 03–2333 Filed 1–31–03; 8:45 am]

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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[MD129/130–3089b; FRL–7437–6]

Approval and Promulgation of Air Quality Implementation Plans; Maryland; Amendments to Volatile Organic Compound Requirements From Specific Processes

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: EPA proposes to approve the State Implementation Plan (SIP) revision submitted by the State of Maryland for the purpose of establishing two (2) amendments to COMAR 26.11.19, from specific processes on volatile organic compound (VOC) requirements. In the Final Rules section of this **Federal Register**, EPA is approving the State's SIP submittal as a direct final rule without prior proposal because the Agency views this as a noncontroversial submittal and anticipates no adverse comments. A detailed rationale for the approval is set forth in the direct final rule. If no adverse comments are received in response to this action, no further activity is contemplated. If EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. EPA will not institute a second comment period. Any parties interested in commenting on this action should do so at this time.

DATES: Comments must be received in writing by March 5, 2003.

ADDRESSES: Written comments should be addressed to Walter K. Wilkie, Acting Chief, Air Quality Planning and Information Services Branch, Mailcode 3AP21, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103. Copies of the documents relevant to this action are available for public inspection during normal business hours at the Air Protection Division, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103; and the Maryland Department of the Environment, 1800 Washington Blvd., Suite 730, Baltimore, Maryland 21224.

FOR FURTHER INFORMATION CONTACT: Betty Harris at (215) 814–2168, at the EPA Region III address above, or by e-mail at harris.betty@epa.gov. Please note that while questions may be posed via telephone and e-mail, formal comments

must be submitted in writing, as indicated in the **ADDRESSES** section of this document.

SUPPLEMENTARY INFORMATION: For further information, please see the information provided in the direct final action for Maryland's amendments to the VOC requirements from specific processes, that is located in the "Rules and Regulations" section of this **Federal Register** publication. Please note that if EPA receives adverse comment on an amendment, paragraph, or section of this rule and if that provision may be severed from the remainder of the rule, EPA may adopt as final those provisions of the rule that are not the subject of an adverse comment.

Dated: December 31, 2002.

Thomas C. Voltaggio,

Acting Regional Administrator, Region III.

[FR Doc. 03-2433 Filed 1-31-03; 8:45 am]

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FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Part 61

RIN 3067-AD34

National Flood Insurance Program (NFIP); Increased Rates for Flood Coverage

AGENCY: Federal Emergency
Management Agency (FEMA).

ACTION: Proposed Rule.

SUMMARY: We (the Federal Insurance and Mitigation Administration of FEMA) propose to change the way premiums are calculated for policyholders who purchase flood insurance coverage under the NFIP for "Pre-FIRM" buildings in Special Flood Hazard Areas (SFHAs). (The term "Pre-FIRM buildings" means buildings whose construction began on or before December 31, 1974, or before the effective date of the community's Flood Insurance Rate Map (FIRM), whichever date is later. Most Pre-FIRM buildings and their contents are eligible for subsidized rates under the NFIP.)

We are planning to increase flood insurance rates to be implemented in coordination with the elimination of the Expense Constant, a flat charge that the policyholder currently pays to defray certain expenses of the Federal Government related to flood insurance. As part of this planned increase in rates, we are proposing to increase Pre-FIRM subsidized rates. As a result of this change, the same amount of premium revenue will still be collected to cover those expenses currently generated by

the Expense Constant; however, policyholders will pay for those expenses through premiums that vary by the amount of insurance that they purchase, instead of a flat charge per policy. The end result will be revenue neutral.

DATES: We invite comments on this proposed rule, which we should receive on or before March 5, 2003.

ADDRESSES: Please submit any written comments to the Rules Docket Clerk, Office of the General Counsel, Federal Emergency Management Agency, 500 C Street, SW., room 840, Washington, DC 20472, (facsimile) 202-646-4536, or (e-mail) rules@fema.gov.

FOR FURTHER INFORMATION CONTACT:

Thomas Hayes, Federal Emergency Management Agency, Federal Insurance and Mitigation Administration, 500 C Street SW., Washington, DC 20472, 202-646-3419, (facsimile) 202-646-7970, or (e-mail) Thomas.Hayes@fema.gov.

SUPPLEMENTARY INFORMATION:

Background

The Flood Disaster Protection Act of 1973 requires us to charge full-risk premiums for flood insurance coverage on buildings when their construction began after December 31, 1974, or on or after the effective date of the Flood Insurance Rate Map, if the second date is later. (We call such construction "Post-FIRM" construction.)

The Flood Disaster Protection Act of 1973 also authorizes us to apply chargeable premiums to Pre-FIRM property and gives FEMA flexibility to set the flood insurance rates for such property. The legislation calls for us to balance the need to offer reasonable rates that encourage people to buy flood insurance with the statutory goal to distribute burdens fairly between all who will be protected by flood insurance and the general public.

Through the years, FIMA has increased these rates five times with the latest being the final rule 67 FR 8902, published February 27, 2002. Each of the prior changes has been implemented in order to distribute burdens fairly among all who will be protected by flood insurance and to reduce the burden on the general public.

However, with this rule, the proposed rate increase will simply offset the revenue that the Program would otherwise forego through the elimination of the Expense Constant, as explained in the next section. This rule is revenue-neutral, whereas the previous rules resulted in premium increases for the class of Pre-FIRM SFHA policyholders.

While this proposed change to offset the elimination of the Expense Constant will be premium-neutral for the class of Pre-FIRM SFHA policyholders, it will result in slightly different premiums for individual policyholders. For residential structures, the largest net premium increase for any policyholder will be \$24, while policyholders that purchase either Contents-only (e.g., renters) or building-only coverage will see net premium decreases of at least \$10. Non-Residential policyholders will have slightly different results.

Section 572 of the National Flood Insurance Reform Act of 1994, Pub. L. 103-325, 42 U.S.C. 4015, however, imposes the following annual limitation on rate increases under the NFIP:

"Notwithstanding any other provision of this title, the chargeable risk premium rates for flood insurance under this title for any properties within any single risk classification may not be increased by an amount that would result in the average of such rate increases for properties within the risk classification during any 12-month period exceeding 10 percent of the average of the risk premium rates for properties within the risk classification upon commencement of such 12-month period."

This regulation complies with this statutory limitation on annual rate increase under the NFIP, since it will be revenue neutral.

Proposed Changes and Their Purposes

We are proposing to increase the rates for Pre-FIRM SFHA policies to offset the revenue that the Program would otherwise forego through the elimination of the Expense Constant. The Expense Constant is a flat charge that the policyholder currently pays to defray certain expenses of the Federal Government related to flood insurance. This proposed change will be premium-neutral for the class of Pre-FIRM SFHA policyholders.

FIMA believes that eliminating the Expense Constant will help us further the goals of the flood program, especially in regard to policy growth. Currently, policyholders see two flat charges on their flood insurance premium bills—\$50 for the Expense Constant, and \$30 for the Federal Policy Fee (a statutorily-mandated fee to cover certain administrative expenses of the National Flood Insurance Program that are not covered by the Expense Constant). Our marketing research has indicated that this is viewed very unfavorably by prospective insureds. They view it as having to pay \$80 before they can even purchase any flood insurance coverage. By eliminating the expense constant, we can hopefully