

it is not a "significant regulatory action" under Executive Order 12866 and is not likely to have a significant adverse effect on the supply, distribution, or use of energy. The Administrator of the Office of Information and Regulatory Affairs has not designated it as a significant energy action. Therefore, it does not require a Statement of Energy Effects under Executive Order 13211.

#### Environment

We have considered the environmental impact of this proposed rule and concluded that, under figure 2-1, paragraph (34)(g), of Commandant Instruction M16475.ID, this rule is categorically excluded from further environmental documentation because it establishes a security zone. A "Categorical Exclusion Determination" is available in the docket where indicated under **ADDRESSES**.

#### List of Subjects in 33 CFR Part 165

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

For the reasons discussed in the preamble, the Coast Guard proposes to amend 33 CFR part 165 as follows:

#### PART 165—REGULATED NAVIGATION AREAS AND LIMITED ACCESS AREAS

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

**Authority:** 33 U.S.C. 1226, 1231; 46 U.S.C. Chapter 701; 50 U.S.C. 191; 33 CFR 1.05-1(g), 6.04-1, 6.04-6, and 160.5; Pub. L. 107-295, 116 Stat. 2064; Department of Homeland Security Delegation No. 0170.1.

2. In § 165.169, add a new paragraph (a)(7), revise paragraph (b), and add new paragraph (c) to read as follows:

#### § 165.169 Safety and Security Zones; New York Marine Inspection Zone and Captain of the Port Zone.

(a) \* \* \*

(7) *Approaches to New York, Atlantic Ocean.* The following area is a security zone: All waters of the Atlantic Ocean between the Ambrose to Hudson Canyon Traffic Lane and the Barnegat to Ambrose Traffic Lane bound by the following points: 40°21'29.9" N, 073°44'41.0" W, thence to 40°21'04.5" N, 073°45'31.4" W, thence to 40°15'28.3" N, 073°44'13.8" W, thence to 40°15'35.4" N, 073°43'29.8" W, thence to 40°19'21.2" N, 073°42'53.0" W, thence to the point of origin.

(b) *Regulations.* (1) Entry into or remaining in a safety or security zone is prohibited unless authorized by the Coast Guard Captain of the Port, New York.

(2) Persons desiring to transit the area of a safety or security zone may contact the Captain of the Port at telephone number 718-354-4088 or on VHF channel 14 (156.7 MHz) or VHF channel 16 (156.8 MHz) to seek permission to transit the area. If permission is granted, all persons and vessels must comply with the instructions of the Captain of the Port or his or her designated representative.

(3) Vessels not actively engaged in authorized vessel to facility transfer operations shall not stop or loiter within that part of a commercial waterfront facility safety and security zone extending into the navigable channel, described in paragraph (a)(3) of this section, without the express permission of the Coast Guard Captain of the Port or his or her designated representative, including on-scene patrol personnel.

(4) The zone described in paragraph (a)(7) of this section is not a Federal Anchorage Ground. Only vessels directed by the Captain of the Port or his or her designated representative to enter this zone are authorized to anchor here.

(5) Vessels do not need permission from the Captain of the Port to transit the area described in paragraph (a)(7) of this section during periods when that security zone is not being enforced.

(c) *Enforcement.* Enforcement periods for the zone in paragraph (a)(7) of this section will be announced through marine information broadcast or other appropriate method of communication. The Coast Guard is enforcing the zone whenever a vessel is anchored in the security zone or a Coast Guard patrol vessel is on-scene.

Dated: November 12, 2003.

**C.E. Bone,**

*Captain, U.S. Coast Guard, Captain of the Port, New York.*

[FR Doc. 03-29026 Filed 11-19-03; 8:45 am]

**BILLING CODE 4910-15-P**

#### POSTAL SERVICE

#### 39 CFR Part 501

#### Authorization To Manufacture and Distribute Postage Meters

**AGENCY:** Postal Service.

**ACTION:** Proposed rule.

**SUMMARY:** Only manufacturers and distributors authorized by the Postal Service are allowed to manufacture and/or distribute postage meters. This proposed rule notifies them that the Postal Service may revoke or suspend, wholly or in part, their authorization to distribute postage meters if they make or distribute false and misleading

statements about actions or proposed actions of the Postal Service regarding the postage meter program.

**DATES:** The Postal Service must receive your comments on or before December 22, 2003.

**ADDRESSES:** Mail or deliver written comments to Manager, Postage Technology Management, 1735 N Lynn Street, Room 5011, Arlington, VA 22209-6370. You can view and copy all written comments at the same address between 9 a.m. and 4 p.m., Monday through Friday.

**FOR FURTHER INFORMATION CONTACT:** Wayne Wilkerson, manager of Postage Technology Management, at 703-292-3691 or by fax at 703-292-4073.

**SUPPLEMENTARY INFORMATION:** The intentional dissemination of false and misleading communications, advertising, or promotional materials that misrepresent actions or proposed actions of the Postal Service is misleading and confusing to customers of the Postal Service. These false and misleading statements are often made to encourage customers to change from one postage meter or postage meter supplier to another. If the Postal Service identifies such practices, it will take appropriate action to notify law enforcement agencies concerned with false and misleading advertising practices and will take action to publish the deceptive communications or advertising with appropriate corrective statements. In addition, by the proposed rule, the Postal Service is providing notice to authorized postage meter manufacturers and distributors that their approval to distribute meters throughout the United States or any part thereof may be jeopardized if the Postal Service determines that they or their employees, agents, or dealers have engaged in such false and misleading communication or advertising practices. If an authorized manufacturer or distributor is in doubt as to the accuracy of any proposed representation concerning actions or proposed actions of the Postal Service, they are invited to verify the accuracy of the representation with the office of Postage Technology Management.

We will review any public comments and will issue a final rule amending these sections.

#### Notice and Comment

Although exempt from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. 553(b), (c)) regarding proposed rulemaking by 39 U.S.C. 410(a), the Postal Service invites public comments on the following proposed amendments

to the *Code of Federal Regulations* (CFR).

#### List of Subjects in 39 CFR Part 501

Administrative practice and procedure, Postal Service.

For the reasons set out in this document, the Postal Service is proposing to amend 39 CFR part 501 as follows:

#### PART 501—AUTHORIZATION TO MANUFACTURE AND DISTRIBUTE POSTAGE METERS

1. The authority citation for part 501 continues to read as follows:

**Authority:** 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 410, 2601, 2605; Inspector General Act of 1978, as amended (Public Law 95'452, as amended); 5 U.S.C. App. 3.

2. Redesignate current §§ 501.23 through 501.30 as §§ 501.24 through 501.31 and add new § 501.23 to read as follows:

##### § 501.23 Communications.

Authorized manufacturers, distributors, and any agents of an authorized manufacturer or distributor must not intentionally misrepresent to customers of the Postal Service decisions, actions, or proposed actions of the Postal Service respecting the postage meter program. The Postal Service reserves the right to suspend and/or revoke the authorization to manufacture and/or distribute postage meters throughout the United States or any part thereof under Sec. 501.5 when the manufacturer, distributor, or any agent of a manufacturer or distributor fails to comply with this requirement.

We will publish an appropriate amendment to 39 CFR part 501 to reflect these changes if the proposal is adopted.

**Stanley F. Mires,**  
*Chief Counsel, Legislative.*

[FR Doc. 03-28958 Filed 11-19-03; 8:45 am]

**BILLING CODE 7710-12-P**

#### POSTAL SERVICE

#### 39 CFR Part 551

#### Semipostal Stamp Program

**AGENCY:** Postal Service.

**ACTION:** Proposed rule.

**SUMMARY:** This proposed rule would clarify procedures for determining offsets for the Postal Service's reasonable costs from semipostal differential revenue.

**DATES:** Comments must be received on or before December 22, 2003.

**FOR FURTHER INFORMATION CONTACT:**  
Cindy Tackett, (202) 268-6555.

**SUPPLEMENTARY INFORMATION:** On June 12, 2001, the Postal Service published a final rule establishing the regulations in 39 CFR part 551 for the Semipostal Stamp Program (66 FR 31822). Minor revisions were made to these regulations to implement Public Law No. 107-67, 115 Stat. 514 (2001), and to reflect minor organizational changes in the Postal Service (67 FR 5215 (February 5, 2002)).

The Postal Service proposes to amend regulations in section 551.8. The proposed changes are relatively straightforward and are intended to clarify existing regulations. A brief description of each proposed change follows.

Proposed edits to section 551.8(a) and (c) would expand the types of "comparable stamps" that could be used in conducting cost comparisons. Under current regulations, comparable stamps for purposes of cost comparisons are defined as *commemorative* stamps having similar sales; physical characteristics; and marketing, promotional, and public relations activities. The proposed rule would no longer limit the universe of comparable stamps to *commemorative* stamps. This measure would accordingly allow other types of stamps, such as definitive or special issue stamps, to serve as a baseline for cost comparisons. In some instances, it is conceivable that a definitive or special issue stamp could serve as the best proxy for comparative analysis, because, much like some semipostal stamps, such stamps are often sold for longer periods, are subjected to multiple print runs, and produced and distributed in much larger quantities than commemorative stamps. Thus, it is possible that some definitive or special issue stamps could more accurately mirror the characteristics of commemorative stamps, at least for certain discrete cost comparisons.

A proposed edit to section 551.8(c) would specify that different comparable stamps may be used for specific cost comparisons. For example, a given stamp might be useful for comparing marketing and advertising costs incurred in connection with a semipostal stamp. Nevertheless, a comparable stamp selected for purposes of comparing marketing and advertising costs might not serve as the best proxy for comparing other types of costs, for example because it has different physical characteristics than the semipostal stamp to which it is compared. The proposed change would

clarify that the Postal Service could select different comparable stamps for discrete cost comparisons. This will enhance accuracy in conducting comparative analysis for purposes of determining cost offsets.

A proposed edit to section 551.8(d)(1) would clarify that costs less than \$3,000 would not be offset from differential revenue, as long as they were not charged to a semipostal-specific finance number. The current rule is intended to preclude the need for time-consuming recordkeeping for low-value expenditures. Tracking low-dollar expenditures is, however, simplified whenever such costs are charged to a semipostal-specific finance number. Thus, the Postal Service intends to track semipostal costs less than \$3,000 when such costs are assigned to semipostal-specific finance number.

A proposed edit to section 551.8(d)(2) would clarify that costs that do not need to be tracked include not only those costs that would be too burdensome to track, but also those costs that would be too burdensome to estimate.

Finally, the proposed edits to section 551.8(d)(6) and (f) would clarify that printing, sales, distribution, and several other types of costs could be recovered when they materially exceed the costs of comparable stamps. While such costs arguably could be recovered under section 551.8(d)(5), the proposed edit would establish, in clear and unambiguous terms, the circumstances in which such costs are to be offset from differential revenue.

In accordance with 39 U.S.C. 416(e)(2), the Postal Service invites public comment on the following proposed amendments to the *Code of Federal Regulations*.

#### List of Subjects in 39 CFR Part 551

Administrative practice and procedure, Postal Service.

For the reasons set out in this document, the Postal Service proposes to revise 39 CFR 551 as follows:

#### PART 551—SEMIPOSTAL STAMP PROGRAM

1. The authority citation for 39 CFR part 551 is revised to read as follows:

**Authority:** 39 U.S.C. 101, 201, 203, 401, 403, 404, 410, 414, 416.

2. In § 551.8, revise paragraphs (a), (c), (d), (e), and (g) to read as follows:

##### § 551.8 Cost offset policy.

(a) Postal Service policy is to recover from the differential revenue for each semipostal stamp those costs that are determined to be attributable to the semipostal stamp and that would not