

modification and inspections are necessary on the Model 414A airplanes as well as the Model 402C airplanes. This proposed AD would require you to inspect the wing spar caps for fatigue cracks with any necessary repair or replacement and to incorporate a spar strap modification on each wing spar. Comments received on the original NPRM (68 FR 26244, May 15, 2003) specify additional time to respond to the proposed action. The actions specified by this proposed AD are intended to prevent wing spar cap failure due to undetected fatigue cracks. Such failure could result in loss of a wing with consequent loss of airplane control.

DATES: The Federal Aviation Administration (FAA) must receive any comments on this proposed rule on or before September 8, 2003. This is extended from August 8, 2003.

ADDRESSES: Submit comments to FAA, Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 2002-CE-57-AD, 901 Locust, Room 506, Kansas City, Missouri 64106. You may view any comments at this location between 8 a.m. and 4 p.m., Monday through Friday, except Federal holidays. You may also send comments electronically to the following address: 9-ACE-7-Docket@faa.gov. Comments sent electronically must contain "Docket No. 2002-CE-57-AD" in the subject line. If you send comments electronically as attached electronic files, the files must be formatted in Microsoft Word 97 for Windows or ASCII text.

You may get service information that applies to this proposed AD from the Cessna Aircraft Company, Product Support, P.O. Box 7706, Wichita, Kansas 67277; telephone: (316) 517-5800; facsimile: (316) 942-9006. You may also view this information at the Rules Docket at the address above.

FOR FURTHER INFORMATION CONTACT: Paul Nguyen, Aerospace Engineer, FAA, Wichita Aircraft Certification Office, 1801 Airport Road, Mid-Continent Airport, Wichita, Kansas 67209; telephone: (316) 946-4125; facsimile: (316) 946-4107.

Issued in Kansas City, Missouri, on July 28, 2003.

James E. Jackson,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 03-19585 Filed 7-31-03; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2002-CE-05-AD]

RIN 2120-AA64

Airworthiness Directives; Cessna Aircraft Company Models 401, 401A, 401B, 402, 402A, 402B, 411, and 411A Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM); extension of the comment period.

SUMMARY: This document provides additional time for the public to comment on a proposal to supersede Airworthiness Directive (AD) 79-10-15 R2, which applies to all Cessna Aircraft Company (Cessna) Models 401, 401A, 401B, 402, 402A, 402B, 411, and 411A airplanes. AD 79-10-15 R2 currently requires repetitive inspections of the right and left wing spar lower cap areas for fatigue cracks and requires wing spar cap repair or replacement as necessary. Cessna has performed fatigue and crack growth analyses of the wings of these airplanes, and the Federal Aviation Administration (FAA) has evaluated this information and determined that a wing spar modification is necessary as well as periodic inspections. This proposed AD would require you to repetitively inspect the wing spar caps for fatigue cracks with any necessary repair or replacement on all airplanes and incorporate a spar strap modification on each wing spar on certain airplanes. Comments received on the original NPRM (68 FR 26239, May 15, 2003) specify additional time to respond to the proposed action. The actions specified by this proposed AD are intended to prevent wing spar cap failure due to undetected fatigue cracks. Such failure could result in loss of a wing with consequent loss of airplane control.

DATES: The Federal Aviation Administration (FAA) must receive any comments on this proposed rule on or before September 8, 2003. This is extended from August 8, 2003.

ADDRESSES: Submit comments to FAA, Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 2002-CE-05-AD, 901 Locust, Room 506, Kansas City, Missouri 64106. You may view any comments at this location between 8 a.m. and 4 p.m., Monday through Friday, except Federal holidays. You may also send comments

electronically to the following address: 9-ACE-7-Docket@faa.gov. Comments sent electronically must contain "Docket No. 2002-CE-05-AD" in the subject line. If you send comments electronically as attached electronic files, the files must be formatted in Microsoft Word 97 for Windows or ASCII text.

You may get service information that applies to this proposed AD from the Cessna Aircraft Company, Product Support, P.O. Box 7706, Wichita, Kansas 67277; telephone: (316) 517-5800; facsimile: (316) 942-9006. You may also view this information at the Rules Docket at the address above.

FOR FURTHER INFORMATION CONTACT: Paul Nguyen, Aerospace Engineer, FAA, Wichita Aircraft Certification Office, 1801 Airport Road, Mid-Continent Airport, Wichita, Kansas 67209; telephone: (316) 946-4125; facsimile: (316) 946-4107.

Issued in Kansas City, Missouri, on July 28, 2003.

James E. Jackson,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 03-19584 Filed 7-31-03; 8:45 am]

BILLING CODE 4910-13-P

DEPARTMENT OF COMMERCE

International Trade Administration

DEPARTMENT OF THE INTERIOR

Office of Insular Affairs

15 CFR Part 303

[Docket No. 030707164-3164-01]

RIN 0625-AA63

Changes in the Insular Possessions Watch, Watch Movement and Jewelry Program

AGENCIES: Import Administration, International Trade Administration, Department of Commerce; Office of Insular Affairs, Department of the Interior.

ACTION: Notice of proposed rulemaking and request for comments.

SUMMARY: The Departments of Commerce and the Interior (the Departments) propose amending their regulations governing watch duty-exemption allocations and the watch and jewelry duty-refund benefits for producers in the United States insular possessions (the U.S. Virgin Islands, Guam, American Samoa and the Commonwealth of the Northern Mariana

Islands). The proposed rule would amend existing regulations, due to changes in the industry, by updating the watch assembly requirements for purposes of the duty refund. We also propose amending the regulations to reflect the new designations that were created with the addition of the Department of Homeland Security.

DATES: Written comments must be received on or before September 2, 2003.

ADDRESSES: Address written comments to Faye Robinson, Acting Director, Statutory Import Programs Staff, FCB, Suite 4100W, U.S. Department of Commerce, 14th and Constitution Ave., NW., Washington, DC 20230.

FOR FURTHER INFORMATION CONTACT: Faye Robinson, (202) 482-3526, same address as above.

SUPPLEMENTARY INFORMATION: The insular possessions watch industry provision in section 110 of Pub. L. 97-446 (96 Stat. 2331) (1983), as amended by section 602 of Pub. L. 103-465 (108 Stat. 4991) (1994); additional U.S. Note 5 to chapter 91 of the Harmonized Tariff Schedule of the United States ("HTSUS"), as amended by Pub. L. 94-241 (90 Stat. 263) (1976) requires the Secretary of Commerce and the Secretary of the Interior ("the Secretaries"), acting jointly, to establish a limit on the quantity of watches and watch movements which may be entered free of duty during each calendar year. The law also requires the Secretaries to establish the shares of this limited quantity which may be entered from the Virgin Islands, Guam, American Samoa and the Commonwealth of the Northern Mariana Islands ("CNMI"). After the Departments have verified the data submitted on the annual application (Form ITA-334P), the producers' duty-exemption allocations are calculated from the territorial share in accordance with 15 CFR 303.14 and each producer is issued a duty-exemption license. The law further requires the Secretaries to issue duty-refund certificates to each territorial watch and watch movement producer based on the company's duty-free shipments and creditable wages paid during the previous calendar year. Pub. L. 106-36 (113 Stat. 127) (1999) authorizes the issuance of a duty-refund certificate to each territorial jewelry producer for any article of jewelry provided for in heading 7113 of the HTSUS which is the product of any such territory. The value of the certificate is based on creditable wages paid and duty-free units shipped into the United States during the previous calendar year. Although the law

specifically mentions the U.S. Virgin Islands, Guam and American Samoa, the issuance of the duty-refund certificate would also apply to the CNMI due to the Covenant To Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States of America (Pub. L. 94-241), which states that goods from the CNMI are entitled to the same tariff treatment as imports from Guam. See also 19 CFR 7.2(a). In order to be considered a product of such territories, the jewelry must meet the U.S. Customs Service substantial transformation requirements (the jewelry must become a new and different article of commerce as a result of production or manufacture performed in the territory). To receive duty-free treatment, the jewelry must also satisfy the requirements of General Note 3(a)(iv) of the HTSUS and applicable Customs Regulations (19 CFR 7.3).

Proposed Amendments

We propose amending the definitions for Creditable wages and Non-91/5 watches and watch movements, subpart A § 303.2(a)(13) and (14) respectively, to allow wages to be creditable towards the duty refund for watches containing preassembled movements provided (1) that the producer is unable to purchase the movements unassembled and (2) that it completes in the insular possession all other assembly operations required to make the movement into a watch (see discussion, below).

The watch and jewelry program was designed to spur local employment by giving producers benefits based upon creditable wages paid to permanent residents of the insular possessions. For purposes of determining whether wages are creditable, the Departments' current regulations require producers to purchase unassembled movements so that the movement assembly process will take place in the insular possessions. However, it has come to the Departments' attention that due to recent changes in the watch industry, it has become increasingly difficult, if not impossible, for producers to purchase the desired movements in an unassembled condition. Adoption of our proposed rule will afford producers greater flexibility in dealing with such market realities. Thus, the effect of the proposed revision will be to give producers the ability to continue to choose those movements best suited to their particular needs without losing the duty refund benefit, thereby allowing producers to continue to provide meaningful and substantial work for permanent residents in the insular possessions. Notwithstanding the

proposed revision to the regulations, assembly operations required to be performed in the insular possession for purposes of the duty refund would still include casing, assembling the dial on the movement, adding the battery to the movement, setting the hands, cutting the stem and assembling the crown, attaching the clasps, buckles and bands and performing all quality control operations. Our proposal would not affect the watch assembly requirements of the Bureau of Customs and Border Protection (formerly the U.S. Customs Service). If those requirements are not satisfied, the producer must pay applicable duties.

In order for wages to be considered creditable for watch assembly operations which incorporate preassembled movements, we also propose amending subpart A § 303.5(b)(6) to require producers who completely assemble watches in the insular possessions, with the exception of the movement, to maintain documentation that demonstrates that the preassembled movement the insular producer purchased could not have been purchased in an unassembled condition. This documentation must be available, along with other relevant company records, for review during the annual audit and verification of the data from the Annual Application (Form ITA-334P). Producers would still be required to meet the Bureau of Customs and Border Protection and the Departments' assembly requirements for purposes of the duty exemption.

Pursuant to section 403 of the Homeland Security Act of 2002 (Pub. L. 107-296) (2002), the U.S. Customs Service was transferred from the Department of the Treasury to the Department of Homeland Security ("DHS"). Under the DHS' Reorganization Plan (Nov. 25, 2002), this transfer became effective as of March 1, 2003. The former Customs Service has now been redesignated as the Bureau of Customs and Border Protection. As a result of this reorganization, we propose amending 15 CFR Part 303 by replacing "U.S. Customs Service" throughout the regulations with its new designation, "Bureau of Customs and Border Protection". We also propose replacing "Department of the Treasury" wherever it occurs in the regulations with "Department of Homeland Security" which is now the appropriate designation for purposes of the insular watch and jewelry program.

Administrative Law Requirements

Regulatory Flexibility Act. In accordance with the Regulatory

Flexibility Act, 5 U.S.C. 601 *et seq.*, the Chief Counsel for Regulation at the Department of Commerce has certified to the Chief Counsel for Advocacy, Small Business Administration, that the proposed rule, if promulgated as final, will not have a significant economic impact on a substantial number of small entities. There are currently three watch companies in the insular program. This rulemaking would update the watch assembly requirements for purposes of the duty refund. The change is being proposed due to the increasing difficulty in purchasing unassembled movements. Adoption of this rule would afford an overall positive economic benefit to watch producers by providing greater flexibility in their selection of movements which may lead to increased sales and employment. Although the proposed rule requires a producer who uses preassembled or partially assembled movements to have available, for the annual audit, documentation that the supplier would not sell the movement unassembled, such documentation would almost certainly be part of the normal ordering process. Consequently, the producer would merely be saving such documentation from the supplier stating that it does not sell the desired movement unassembled. The cost of saving the documentation would be, at most, probably \$5 a year for no more than the fifteen minutes a year spent on filing the information. Therefore, there would be little or no economic impact, particularly in light of the fact that it would only be required when preassembled or partially assembled movements were purchased.

This proposed rule would not have significant economic impact on a substantial number of small entities because the rule would only increase reporting or record keeping requirements by fifteen minutes a year per company at most if the producer chose to purchase preassembled or partially assembled movements and would not increase reporting or record keeping at all if the producer purchased only unassembled movements. These changes will also not duplicate, overlap or conflict with other laws or regulations. Consequently, these changes in the regulations are not expected to meet of the RFA criteria of having a "significant" economic effect on a "substantial number" of small entities, as stated in 5 U.S.C. 603 *et seq.* Therefore, a regulatory flexibility analysis was not prepared.

Paperwork Reduction Act. This proposed rulemaking contains revised collection of information requirements that have been submitted to the Office

of Management and Budget (OMB) for review and approval. The rule would allow watch producers the flexibility to use preassembled movements in situations where the desired movement could not be purchased unassembled and still receive the duty refund benefit. However, if producers purchase preassembled movements they would be required to save the documentation from the supplier that demonstrates that the preassembled movement could not have been purchased unassembled. The documentation would be required to be available for the annual audit of information contained on form ITA-334P. We would estimate the burden to be, at most, fifteen minutes a year to file the piece of paper provided by the supplier. There would be no burden for the producers who continued to use unassembled movements. Collection activities are currently approved by the Office of Management and Budget under control numbers 0625-0040 and 0625-0134. Public comment is sought regarding: whether the proposed collection of information requirement are necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; the accuracy of the burden estimate; ways to enhance the quality, utility, and clarity of the information to be collected; and the ways to minimize the burden of the collection of information, including the use of automated collection techniques or other forms of information technology. Send comments regarding the burden estimate or any other aspect of the collection of information to U.S. Department of Commerce, ITA Information Officer, Washington, DC 20230 and the Office of Information and Regulations Officer, Office of Management and Budget, Washington, DC 20503 (Att: OMB Desk Officer).

Notwithstanding any other provision of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with a collection of information unless it displays a currently valid OMB Control Number.

E.O. 12866. It has been determined that the proposed rulemaking is not significant for purposes of Executive Order 12866.

List of Subjects in 15 CFR Part 303

Administrative practice and procedure, American Samoa, Customs duties and inspection, Guam, Imports, Marketing quotas, Northern Mariana Islands, Reporting and record keeping requirements, Virgin Islands, Watches and jewelry.

For reasons set forth above, the Departments propose to amend 15 CFR Part 303 as follows:

PART 303—WATCHES, WATCH MOVEMENTS AND JEWELRY PROGRAM

1. The authority citation for 15 CFR Part 303 reads as follows:

Authority: Pub. L. 97-446, 96 Stat. 2331 (19 U.S.C. 1202, note); Pub. L. 103-465, 108 Stat. 4991; Pub. L. 94-241, 90 Stat. 263 (48 U.S.C. 1681, note); Pub. L. 106-36, 113 Stat. 167.

2. Title 15 CFR Part 303 is amended by:

a. Removing "U.S. Customs Service" or "Customs Service" wherever it appears and adding "Bureau of Customs and Border Protection" in its place; and

b. Removing "Department of the Treasury" wherever it appears and adding "Department of Homeland Security" in its place.

3. Section 303.2 is amended by revising the first sentence of paragraph (a)(13) and revising paragraph (a)(14) to read as follows:

§ 303.2 Definitions and forms.

(a) * * *

(13) *Creditable wages* means all wages, up to an amount equal to 65% of the contribution and benefit base for Social Security as defined in the Social Security Act for the year in which the wages were earned, paid to permanent residents of the territories employed in a firm's 91/5 watch and watch movement assembly operations, plus wages paid for the repair of non-91/5 watches up to an amount equal to 50% of the firm's total creditable wages, and for wages paid for the complete assembly of watches in the insular possession, with the exception of the movement, only in situations where the desired movement cannot be purchased in an unassembled condition. * * *

(14) *Non-91/5 watches and watch movements* include, but are not limited to, watches and movements which are liquidated as dutiable by the Bureau of Customs and Border Protection but do not include, for purposes of the duty refund, watches that are completely assembled in the insular possessions, with the exception of a desired movement if the movement can not be purchased in an unassembled condition; contains any material which is the product of any country with respect to which Column 2 rates of duty apply; are ineligible for duty-free treatment pursuant to law or regulation; or are units the assembly of which the Departments have determined not to involve substantial and meaningful

work in the territories (as elsewhere defined in these regulations).

* * * * *

4. Section 303.5(b)(6) is revised to read as follows:

§ 303.5 Application for annual allocation of duty-exemptions.

* * * * *

(b) * * *

(6) Records on purchases of components, including documentation on the purchase of any preassembled movements, which demonstrate that such movements could not have been purchased from the vendor in an unassembled condition, and records on the sales of insular watches and movements, including proof of payment; and

* * * * *

Joseph A. Spetrini,

*Acting Assistant Secretary for Grant Aldonas,
Under Secretary, Department of Commerce.*

David B. Cohen,

*Deputy Assistant Secretary for Insular Affairs,
Department of the Interior.*

[FR Doc. 03-19272; Filed 7-31-03; 8:45 am]

BILLING CODE 3510-DS-P; 4310-93-P

SOCIAL SECURITY ADMINISTRATION

20 CFR Parts 404 and 416

[Regulations Nos. 4 and 16]

RIN 0960-AF86

Continuation of Benefit Payments to Certain Individuals Who Are Participating in a Program of Vocational Rehabilitation Services, Employment Services, or Other Support Services

AGENCY: Social Security Administration.

ACTION: Notice of proposed rulemaking.

SUMMARY: We propose to revise our regulations, which provide for the continuation of benefit payments to certain individuals who recover medically while participating in a vocational rehabilitation program with a State vocational rehabilitation agency. We are proposing these changes because of statutory amendments, which extend eligibility for these continued benefit payments to certain individuals who recover medically while participating in another appropriate program of vocational rehabilitation services. These include individuals participating in the Ticket to Work and Self-Sufficiency Program or another program of vocational rehabilitation services, employment services, or other support services approved by the Commissioner of Social Security.

These proposed regulations would affect the payment of Social Security disability benefits under title II of the Social Security Act (the Act) and the payment of Supplemental Security Income (SSI) disability or blindness benefits under title XVI of the Act.

DATES: To be sure your comments are considered, we must receive them by September 30, 2003.

ADDRESSES: You may give us your comments: by using our Internet site facility (*i.e.*, Social Security Online) at <http://www.socialsecurity.gov>; by e-mail to regulations@ssa.gov; by telefax to (410) 966-2830; or by letter to the Commissioner of Social Security, PO Box 17703, Baltimore, MD 21235-7703. You may also deliver them to the Office of Disability and Income Security Programs, Office of Regulations, Social Security Administration, 100 Altmeyer Building, 6401 Security Boulevard, Baltimore, MD 21235-6401, between 8 a.m. and 4:30 p.m. on regular business days. Comments are posted on our Internet site. You also may inspect the comments on regular business days by making arrangements with the contact person shown in the preamble.

Electronic Version: The electronic file of this document is available on the date of publication in the **Federal Register** at http://www.access.gpo.gov/su_docs/aces/aces140.html. It is also available on the Internet site for the Social Security Administration (*i.e.* Social Security Online): <http://www.socialsecurity.gov/regulations/>.

FOR FURTHER INFORMATION CONTACT: Suzanne DiMarino, Social Insurance Specialist, Social Security Administration, 100 Altmeyer Building, 6401 Security Boulevard, Baltimore, MD 21235-6401, e-mail to regulations@ssa.gov, or telephone (410) 965-1769 or TTY (410) 966-5609 for information about these rules. For information on eligibility or filing for benefits, call our national toll-free number 1-800-772-1213 or TTY 1-800-325-0778, or visit our Internet Web site, Social Security Online, at <http://www.socialsecurity.gov>.

SUPPLEMENTARY INFORMATION:

Background

Statutory Background

The Social Security Disability Amendments of 1980

The Social Security Disability Amendments of 1980 (the 1980 Amendments), Pub. L. 96-265, amended titles II and XVI of the Act to provide for the continuation of payment of disability benefits under the Social Security or SSI program to certain

individuals whose disability medically ceases while the individual is engaged in a program of vocational rehabilitation. Section 301 of the 1980 Amendments added sections 225(b) and 1631(a)(6) of the Act to provide that the payment of benefits based on disability shall not be terminated or suspended because the physical or mental impairment, on which the individual's entitlement or eligibility is based, has or may have ceased, if:

- The individual is participating in an approved vocational rehabilitation program under a State plan approved under title I of the Rehabilitation Act of 1973, and
- The Commissioner of Social Security determines that completion of the program, or its continuation for a specified period of time, will increase the likelihood that the individual may be permanently removed from the disability benefit rolls.

The purpose of these benefit continuation provisions is to encourage individuals to continue participating in the approved vocational rehabilitation program in which they are engaged at the time their disability ceases in "those exceptional cases where the administration is able to determine that continuation in a vocational rehabilitation program will increase the likelihood of the individual's being permanently removed from the disability rolls." Report of the Senate Committee on Finance on the 1980 Amendments, S. Rep. No. 408, 96th Cong., 1st Sess. 50 (1979).

Our regulations implementing the provisions of the Act added by section 301 of the 1980 Amendments provide that we may continue an individual's benefits (and, when the individual receives benefits as a disabled worker, the benefits of his or her dependents) after the individual's impairment is no longer disabling if:

- The individual's disability did not end before December 1980, the effective date of the provisions of the Act added by section 301 of the 1980 Amendments;
- The individual is participating in an appropriate program of vocational rehabilitation, that is, one that has been approved under a State plan approved under title I of the Rehabilitation Act of 1973 and which meets the requirements outlined in 34 CFR part 361 for a rehabilitation program;
- The individual began the program before his or her disability ended; and
- We have determined that the individual's completion of the program, or his or her continuation in the