Federal court or as otherwise provided under the Privacy Act (4 U.S.C. 552a).

Dated: July 2, 1998.

Ernest R. Riutta,

Rear Admiral, U.S. Coast Guard, Assistant Commandant for Operations.

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DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. NHTSA–98–3848; Notice 2]

Beall Trailers of Washington, Inc.; Grant of Application for Temporary Exemption From Federal Motor Vehicle Safety Standard No. 224

This notice grants the application by Beall Trailers of Washington, Inc., of Kent, Washington, ("Beall"), a wholly-owned subsidiary of Beall Corporation, for a one-year temporary exemption from Motor Vehicle Safety Standard No. 224 Rear Impact ***Protection.*** The basis of the application was that compliance would cause substantial economic hardship to a manufacturer that has tried in good faith to comply with the standard.

Notice of receipt of the application was published on May 19, 1998, and an opportunity afforded for comment (63 FR 276 18).

Beall manufactures and sells dump body trailers. It produced a total of 311 trailers in 1997, of which 124 were dump body types, Standard No. 224 requires, effective January 26, 1998, that all trailers with a GVWR of 4536 Kg or more, including dump body types, be fitted with a rear impact guard that conforms to Standard No. 223 ***Rear impact guards.*** In its application, Beall stated that "alterations may have to be made to the trailer chassis or even raising the dump box to provide space for the retractable guard," indicating that a guard that retracts when the dump body is in operation is the solution it is seeking in order to comply. According to Beall, the company has ' 'placed significant resources (time and money) towards the design of an acceptable guard. We have involved Montana State University professors from their Mechanical Engineering department. We have conducted Finite Element Analysis and traditional methods of design arriving at a plastically deforming guard that meets the standard, for nonasphalt carrying applications." The deforming guard does not retract, thus cannot be used on dump body trailers. Beall believed that its problem is similar to that experienced by other manufacturers manufacturing dump trailers. The company stated that "devices used in other countries do not meet FMVSS 224." It continues to study "hinged/retractable devices" but must overcome lack of space for a retracted device. The company said that it would strive to develop a device that would comply with Federal requirements while an exemption is in effect.

If an exemption is not granted, the company argued that substantial economic hardship will result. First, it would lose a trailer that accounts for 40 percent of its overall production. In addition, "some percentage of the remaining 60% would be lost since our customers typically purchase matching truck mounted dump bodies which may also be lost." Beall also believed that 31 of its 63 employees would have to be laid off if its application is denied. Maintenance of full employment would be in the public interest it argues. Beall's net income was $39,317 in 1995 and $72,213 in 1996. In the first 10 months of 1997, its net income before income taxes was $697,040. If the application is denied, it foresees a net loss of $71,445 for 1998.

No comments were received on the application.

NHTSA has analyzed the economic and regulatory situation that confronts Beall. The configuration of the company's dump trailer has presented it with an engineering problem that it was unable to resolve by the effective date of the standard, even though the company has studied devices used in other countries. Beall anticipates arriving at a solution within the year that its exemption would be in effect, and the company did not ask for the three full year exemption permitted under the hardship authority. Although a denial would not create an untenable economic situation, it would result in the company having a net loss for 1998. More ominously, a denial might also have the effect of eroding the market for the trailers that Beall could continue to produce "since our customers typically purchase matching truck mounted dump bodies."

NHTSA agrees that maintenance of full employment is in the public interest. The very low volume of the trailers that will be covered by an exemption limits the effect on safety of the trailers that will be produced under the exemption without a rear underride guard.

In consideration of the foregoing, it is hereby found that compliance with Standard No. 224 would cause substantial economic hardship to a manufacturer that has tried in good faith to comply with the standard, and that an exemption would be in the public interest and consistent with motor vehicle safety. Accordingly, Beall Trailers of Washington, Inc., is hereby granted NHTSA Temporary Exemption No. 98-5 from Federal Motor Vehicle Safety Standard ***No. 224 Rear Impact Protection,*** 49 CFR 571.224, expiring July 1, 1999.

Authority: 49 U.S.C. 30113; delegation of authority at 49 CFR 1.50.

Issued on: June 29, 1998.

Ricardo Martinez,

Administrator.

[FR Doc. 98-18095 Filed 7-7-98; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Docket No. AB–545]

South Orient Railroad Company, Ltd.—Abandonment and Discontinuance of Trackage Rights-Between San Angelo and Presidio, TX

On June 18, 1998, the South Orient Railroad Company, Ltd. (SORC), filed an application with the Surface Transportation Board (Board) for permission to abandon its San Angelo-Presidio Line extending from milepost 722 near Mertzon station south of San Angelo to approximately milepost 945.3 at Alpine Junction and from approximately milepost 956.7 at Paisano Junction to the end of the line at milepost 1029.1 on the International Bridge near Presidio, a distance of approximately 296.4 miles;[1] and to discontinue its trackage rights over the Union Pacific Railroad Company's line extending from approximately milepost 945.3 at Alpine Junction to approximately milepost 956.7 at Paisano Junction, a distance of 11.4 miles, for a total distance of approximately 307 miles in Brewster, Crane, Crockett, Irion, Pecos, Presidio, Reagan, Tom Green, and Upton Counties, TX. The line includes the stations of Mertzon, milepost 745.7; Barnhart, milepost 771.6; Big Lake, milepost 790.6; Rankin, milepost 819.9; McCamey, milepost 838.6; Baldridge, milepost 863.8; Sulphur Jct., milepost 869.4; Fort Stockton, milepost 881.7; Belding, milepost 892.9; Hovey, milepost 917.2; Alpine, milepost 944.3; Alpine Jct., milepost 945.6; Paisano Jct., milepost 956.7; Paisano, milepost 956.9; Tinaja, milepost 969.3; Plata, milepost 993.7;

[1] The line also includes an additional 14.4 miles of side track.