

that the additional costs are typically significant.

12. The Commission concludes that the cost of accessing wiring behind sheet rock is significant. In analyzing the costs involved in accessing wiring behind sheet rock, the Commission recognizes that the record reveals a wide divergence among the estimates offered by commenters—ranging from \$25 to \$1,000—as the appropriate sum needed to accomplish the job. Although the Commission finds that it cannot pick a precise monetary figure that fairly reflects the costs associated with accessing cable inside wiring, we believe it is reasonable that costs estimates could include factors such as how difficult it may be to satisfy the MDU owner and manager with repair work and whether a single unit or many units are worked on in one time period. Although the Commission does not have specific quotes for restoration work, it seems likely that repainting and/or re-wallpapering entire ceilings and walls can, at a minimum, run into the hundreds of dollars, particularly for more high-end MDUs that use more expensive surface finishes. These figures appear significant, especially when compared to the estimates we received for accessing wiring behind hallway molding.

13. The Commission is persuaded that removing and replacing molding is generally less intrusive and less expensive than cutting into sheet rock, locating the wiring, and then repairing the wall or ceiling to the satisfaction of MDU owners and managers. While there may be cases in which the cost of accessing wiring behind sheet rock may be comparable to removable molding the record demonstrates that the cost for sheet rock generally will be higher, and often significantly so.

14. The Commission finds that that cable wiring located behind sheet rock qualifies as physically inaccessible under Commission rules for purposes of determining the demarcation point between home wiring and home run wiring. Specifically, the Commission concludes that (1) accessing such wiring causes significant damage or modification to a preexisting structural element, and (2) accessing wiring behind sheet rock generally adds significantly to the physical difficulty and/or cost of accessing the subscriber's home wiring. The Commission's cable inside wiring rules are intended to facilitate competition in video distribution markets. This ruling will foster opportunities for competing MVPDs to provide service in MDUs by clarifying the circumstances under which the existing cable home run

wiring in MDUs can be made available to alternative video service providers.

#### Procedural Matters

15. *Final Regulatory Flexibility Act.* As required by the Regulatory Flexibility Act (RFA), an Initial Regulatory Flexibility Analysis (IRFA) was incorporated into the *Further Notice* in this proceeding. The Commission sought written public comment on the possible significant economic impact on small entities regarding the proposals addressed in the *Further Notice*, including comments on the IFRA. Pursuant to the RFA, a Final Flexibility Analysis is contained in Appendix C.

16. *Paperwork Reduction Act Analysis.* This Order does not contain new or modified information collection requirements subject to the Paperwork Reduction Act of 1995 (PRA), Public Law 104–13. In addition, therefore, it does not contain any new or modified “information collection burdens for small business concerns with fewer than 25 employees,” pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107–198, see 44 U.S.C. 3506(c)(4).

17. *Congressional Review Act.* The Commission will send a copy of this Order in a report to be sent to Congress and the Government Accountability Office pursuant to the Congressional Review Act, see 5 U.S.C. 801(a)(1)(A).

#### II. Ordering Clauses

18. Accordingly, *it is ordered* that, pursuant to authority found in sections 1, 4(i), 601, 623, 624, and 632 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 154(i), 521, 543, 544 and 552, the Commission's amendment of the Note to Section 76.5(mm)(4) of the Commission's rules to include sheet rock as an example of one of the materials that would likely be considered physically inaccessible for purposes of the Commission's cable television inside wiring rules *is affirmed*.

19. *It is further ordered*, that in light of the United States Court of Appeals for the District of Columbia's Circuit's decision in *NCTA v. FCC*, No. 03–1140, 2004 WL 335201, which remanded but did not vacate the decision adopted in *Telecommunications Services Inside Wiring, Customer Premises Equipment; Implementation of the Cable Television Consumer Protection and Competition Act of 1992: Cable Home Wiring*, 18 FCC Rcd 1342 (2003) (“Home Wiring Decision”), the note to 47 CFR 76.5(mm)(4) adopted in the Home Wiring Decision shall remain in effect.

20. *It is further ordered* that the Commission's Consumer and Governmental Affairs Bureau, Reference Information Center, shall send a copy of this Report and Order, including the Final Regulatory Flexibility Analysis, to the Chief Counsel of the Small Business Administration.

Federal Communications Commission.

**William F. Caton,**

*Deputy Secretary.*

[FR Doc. E7–17206 Filed 8–29–07; 8:45 am]

BILLING CODE 6712–01–P

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## DEPARTMENT OF TRANSPORTATION

### National Highway Traffic Safety Administration

#### 49 CFR Part 544

[Docket No.: NHTSA–2006–27240]

RIN 2127–AJ98

#### Insurer Reporting Requirements; List of Insurers Required to File Reports

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

**ACTION:** Final rule.

**SUMMARY:** This final rule amends regulations on insurer reporting requirements. The appendices list those passenger motor vehicle insurers that are required to file reports on their motor vehicle theft loss experiences. An insurer included in any of these appendices must file three copies of its report for the 2004 calendar year before October 25, 2007. If the passenger motor vehicle insurers remain listed, they must submit reports by each subsequent October 25.

**DATES:** This final rule becomes effective on October 1, 2007, given the date of submission. Insurers listed in the appendices are required to submit reports before October 25, 2007.

If you wish to submit a petition for reconsideration of this rule, your petition must be received by October 15, 2007.

**ADDRESSES:** Petitions for reconsideration should refer to the docket number and be submitted to: Administrator, National Highway Traffic Safety Administration, 1200 New Jersey Avenue, SE., West Building, Room W41–307, Washington, DC 20590.

**FOR FURTHER INFORMATION CONTACT:** Rosalind Proctor, Office of International Vehicle, Fuel Economy and Consumer Standards, NHTSA, 1200 New Jersey Avenue, SE., West Building, Room W43–302, Washington, DC 20590, by

electronic mail to [rosalind.proctor@dot.gov](mailto:rosalind.proctor@dot.gov). Ms. Proctor's telephone number is (202) 366-0846. Her fax number is (202) 493-0073.

#### SUPPLEMENTARY INFORMATION:

##### I. Background

Pursuant to 49 U.S.C. 33112, *Insurer reports and information*, NHTSA requires certain passenger motor vehicle insurers to file an annual report with the agency. Each insurer's report includes information about thefts and recoveries of motor vehicles, the rating rules used by the insurer to establish premiums for comprehensive coverage, the actions taken by the insurer to reduce such premiums, and the actions taken by the insurer to reduce or deter theft. Pursuant to 49 U.S.C. 33112(f), the following insurers are subject to the reporting requirements:

(1) Issuers of motor vehicle insurance policies whose total premiums account for 1 percent or more of the total premiums of motor vehicle insurance issued within the United States;

(2) Issuers of motor vehicle insurance policies whose premiums account for 10 percent or more of total premiums written within any one state; and

(3) Rental and leasing companies with a fleet of 20 or more vehicles not covered by theft insurance policies issued by insurers of motor vehicles, other than any governmental entity.

Pursuant to its statutory exemption authority, the agency exempted certain passenger motor vehicle insurers from the reporting requirements.

##### A. Small Insurers of Passenger Motor Vehicles

Section 33112(f)(2) provides that the agency shall exempt small insurers of passenger motor vehicles if NHTSA finds that such exemptions will not significantly affect the validity or usefulness of the information in the reports, either nationally or on a State-by-State basis. The term "small insurer" is defined, in Section 33112(f)(1)(A) and (B), as an insurer whose premiums for motor vehicle insurance issued directly or through an affiliate, including pooling arrangements established under State law or regulation for the issuance of motor vehicle insurance, account for less than 1 percent of the total premiums for all forms of motor vehicle insurance issued by insurers within the United States. However, that section also stipulates that if an insurance company satisfies this definition of a "small insurer," but accounts for 10 percent or more of the total premiums for all motor vehicle insurance issued in a particular state, the insurer must report about its operations in that State.

In the final rule establishing the insurer reports requirement (49 CFR part 544), (52 FR 59; January 2, 1987), NHTSA exercised its exemption authority by listing in Appendix A each insurer that must report because it had at least 1 percent of the motor vehicle insurance premiums nationally. Listing the insurers subject to reporting, instead of each insurer exempted from reporting because it had less than 1 percent of the premiums nationally, is administratively simpler since the former group is much smaller than the latter. In Appendix B, NHTSA lists those insurers required to report for particular states because each insurer had a 10 percent or greater market share of motor vehicle premiums in those states. In the January 1987 final rule, the agency stated that it would update Appendices A and B annually. NHTSA updates the appendices based on data voluntarily provided by insurance companies to A.M. Best, which A.M. Best<sup>1</sup> publishes in its *State/Line Report* each spring. The agency uses the data to determine the insurers' market shares nationally and in each state.

##### B. Self-Insured Rental and Leasing Companies

In addition, upon making certain determinations, NHTSA grants exemptions to self-insurers, i.e., any person who has a fleet of 20 or more motor vehicles (other than any governmental entity) used for rental or lease whose vehicles are not covered by theft insurance policies issued by insurers of passenger motor vehicles, 49 U.S.C. 33112(b)(1) and (f). Under 49 U.S.C. 33112(e)(1) and (2), NHTSA may exempt a self-insurer from reporting, if the agency determines:

(1) The cost of preparing and furnishing such reports is excessive in relation to the size of the business of the insurer; and 33112(e)(1) and (2),

(2) The insurer's report will not significantly contribute to carrying out the purposes of Chapter 331.

In a final rule published June 22, 1990 (55 FR 25606), the agency granted a class exemption to all companies that rent or lease fewer than 50,000 vehicles, because it believed that the largest companies' reports sufficiently represent the theft experience of rental and leasing companies. NHTSA concluded that smaller rental and leasing companies' reports do not significantly contribute to carrying out NHTSA's statutory obligations and that

exempting such companies will relieve an unnecessary burden on them. As a result of the June 1990 final rule, the agency added Appendix C, consisting of an annually updated list of the self-insurers subject to Part 544. Following the same approach as in Appendix A, NHTSA included, in Appendix C, each of the self-insurers subject to reporting instead of the self-insurers which are exempted. NHTSA updates Appendix C based primarily on information from *Automotive Fleet Magazine* and *Auto Rental News*.<sup>2</sup>

##### C. When a Listed Insurer Must File a Report

Under Part 544, as long as an insurer is listed, it must file reports on or before October 25 of each year. Thus, any insurer listed in the appendices must file a report before October 25, and by each succeeding October 25, absent an amendment removing the insurer's name from the appendices.

## II. Notice of Proposed Rulemaking

### 1. Insurers of Passenger Motor Vehicles

On April 9, 2007, NHTSA published a notice of proposed rulemaking (NPRM) to update the list of insurers in Appendices A, B, and, C required to file reports (72 FR 17465). Appendix A lists insurers that must report because each had 1 percent of the motor vehicle insurance premiums on a national basis. The list was last amended in a final rule published on September 5, 2006 (71 FR 52291). Based on the 2004 calendar year market share data from A.M. Best, NHTSA proposed to remove Travelers PC Group and add St Paul Travelers Companies to Appendix A.

Each of the 18 insurers listed in Appendix A are required to file a report before October 25, 2007, setting forth the information required by Part 544 for each State in which it did business in the 2004 calendar year. As long as these 18 insurers remain listed, they are required to submit a report by each subsequent October 25 for the calendar year ending slightly less than 3 years before.

Appendix B lists insurers required to report for particular States for calendar year 2004, because each insurer had a 10 percent or greater market share of motor vehicle premiums in those States. Based on the 2004 calendar year data for market shares from A.M. Best, we proposed to remove Arbella Mutual Insurance (Massachusetts) and add the

<sup>1</sup> A.M. Best Company is a well-recognized source of insurance company ratings and information. 49 U.S.C. 33112(j) authorizes NHTSA to consult with public and private organizations as necessary.

<sup>2</sup> *Automotive Fleet Magazine* and *Auto Rental News* are publications that provide information on the size of fleets and market share of rental and leasing companies.

Farm Bureau of Idaho Group (Idaho) to Appendix B.

The nine insurers listed in Appendix B are required to report on their calendar year 2004 activities in every State where they had a 10 percent or greater market share. These reports must be filed by October 25, 2007, and set forth the information required by Part 544. As long as these nine insurers remain listed, they would be required to submit reports on or before each subsequent October 25 for the calendar year ending slightly less than 3 years before.

## 2. Rental and Leasing Companies

Appendix C lists rental and leasing companies required to file reports. Based on information in *Automotive Fleet Magazine* and *Auto Rental News* for 2004, NHTSA proposed to add Emkay, Inc. Each of the eight companies (including franchisees and licensees) listed in Appendix C are required to file reports for calendar year 2004 no later than October 25, 2007, and set forth the information required by Part 544. As long as those eight companies remain listed, they would be required to submit reports before each subsequent October 25 for the calendar year ending slightly less than 3 years before.

## Public Comments on Final Determination

### Insurers of Passenger Motor Vehicles

The agency received no comments in response to the NPRM for Appendices A, B and C. Therefore, this final rule adopts the proposed changes to Appendix A, B and C. Accordingly, NHTSA has determined that each of the 18 insurers listed in Appendix A, each of the nine insurers listed in Appendix B and each of eight companies listed in Appendix C are required to submit an insurer report on its experience for calendar year 2004 as required by 49 CFR Part 544.

## Submission of Theft Loss Report

Passenger motor vehicle insurers listed in the appendices can forward their theft loss reports to the agency in several ways:

a. *Mail:* Rosalind Proctor, Office of International Vehicle, Fuel Economy and Consumer Standards, Department of Transportation, NHTSA, West Building, 1200 New Jersey Avenue, SE., NVS-131, Room W43-302, Washington, DC 20590

b. *E-mail:* [rosalind.proctor@dot.gov](mailto:rosalind.proctor@dot.gov);

c. *Fax:* (202) 493-0073.

Theft loss reports may also be submitted to the docket electronically by:

d. Logging onto the Dockets Management System Web site at <http://dms.dot.gov>. Click on "ES Submit" or "Help" to obtain instructions for filing the document electronically.

## Regulatory Impacts

### 1. Costs and Other Impacts

This notice has not been reviewed under Executive Order 12866, Regulatory Planning and Review. NHTSA has considered the impact of this final rule and determined that the action is not "significant" within the meaning of the Department of Transportation's regulatory policies and procedures. This final rule implements the agency's policy of ensuring that all insurance companies that are statutorily eligible for exemption from the insurer reporting requirements are in fact exempted from those requirements. Only those companies that are not statutorily eligible for an exemption are required to file reports.

NHTSA does not believe that this rule, reflecting current data, affects the impacts described in the final regulatory evaluation prepared for the final rule establishing Part 544 (52 FR 59; January 2, 1987). Accordingly, a separate regulatory evaluation has not been prepared for this rulemaking action. Using the Bureau of Labor Statistics Consumer Price Index for 2006 (*see http://www.bls.gov/cpi*), the cost estimates in the 1987 final regulatory evaluation were adjusted for inflation. The agency estimates that the cost of compliance is \$100,800 for any insurer added to Appendix A, \$40,320 for any insurer added to Appendix B, and \$11,632 for any insurer added to Appendix C. In this final rule, the agency made no additional changes to Appendices A, B, or C of the list of insurers published in the April 9, 2007 NPRM. Therefore, there will be no additional net effect of this final rule. Accordingly, this final will adopt the proposed changes to Appendix A, B and C.

Interested persons may wish to examine the 1987 final regulatory evaluation. Copies of that evaluation were placed in Docket No. T86-01; Notice 2. Any interested person may obtain a copy of this evaluation by writing to NHTSA, Docket Section, 1200 New Jersey Avenue, SE., West Building (Ground Floor), Room W12-140, Washington, DC 20590, or by calling (202) 366-4949.

### 2. Paperwork Reduction Act

The information collection requirements in this final rule were

submitted and approved by the Office of Management and Budget (OMB) pursuant to the requirements of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*). The existing information collection indicates that the number of respondents for this collection is forty-five, however, the actual number of respondents fluctuate from year to year. Therefore, because the number of respondents required to report for this final rule does not exceed the number of respondents indicated in the existing information collection, the agency does not believe that an amendment to the existing information collection is necessary. This collection of information is assigned OMB Control Number 2127-0547 ("Insurer Reporting Requirements") and is approved for use through August 31, 2009, and the agency will seek to extend the approval afterwards.

### 3. Regulatory Flexibility Act

The agency also considered the effects of this rulemaking under the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 *et seq.*). I certify that this final rule will not have a significant economic impact on a substantial number of small entities. The rationale for the certification is that none of the companies listed on Appendices A, B, or C are construed to be a small entity within the definition of the RFA. "Small insurer" is defined, in part under 49 U.S.C. 33112, as any insurer whose premiums for all forms of motor vehicle insurance account for less than 1 percent of the total premiums for all forms of motor vehicle insurance issued by insurers within the United States, or any insurer whose premiums within any State, account for less than 10 percent of the total premiums for all forms of motor vehicle insurance issued by insurers within the State. This notice exempts all insurers meeting those criteria. Any insurer too large to meet those criteria is not a small entity. In addition, in this rulemaking, the agency exempts all "self insured rental and leasing companies" that have fleets of fewer than 50,000 vehicles. Any self-insured rental and leasing company too large to meet that criterion is not a small entity.

### 4. Federalism

This action has been analyzed according to the principles and criteria contained in Executive Order 12612, and it has been determined that the final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

### 5. Environmental Impacts

In accordance with the National Environmental Policy Act, NHTSA has considered the environmental impacts of this final rule and determined that it would not have a significant impact on the quality of the human environment.

### 6. Civil Justice Reform

This final rule does not have any retroactive effect, and it does not preempt any State law, 49 U.S.C. 33117 provides that judicial review of this rule may be obtained pursuant to 49 U.S.C. 32909, and section 32909 does not require submission of a petition for reconsideration or other administrative proceedings before parties may file suit in court.

### 7. Regulation Identifier Number (RIN)

The Department of Transportation assigns a regulation identifier number (RIN) to each regulatory action listed in the Unified Agenda of Federal Regulations. The Regulatory Information Service Center publishes the Unified Agenda in April and October of each year. You may use the RIN contained in the heading, at the beginning, of this document to find this action in the Unified Agenda.

### 8. Plain Language

Executive Order 12866 requires each agency to write all rules in plain language. Application of the principles of plain language includes consideration of the following questions:

- Have we organized the material to suit the public's needs?
- Are the requirements in the proposal clearly stated?
  - Does the proposal contain technical language or jargon that is not clear?
  - Would a different format (grouping and order of sections, use of headings, paragraphing) make the rule easier to understand?
  - Would more (but shorter) sections be better?
  - Could we improve clarity by adding tables, lists, or diagrams?
  - What else could we do to make the proposal easier to understand?

If you have any responses to these questions, you can forward them to me several ways:

a. *Mail*: Rosalind Proctor, Office of International Vehicle, Fuel Economy and Consumer Standards, NHTSA, West Building, 1200 New Jersey Avenue, SE., NVS-131, Room W43-302, Washington, DC 20590.

b. *E-mail*: [rosalind.proctor@dot.gov](mailto:rosalind.proctor@dot.gov);  
or

c. *Fax*: (202) 493-0073.

### List of Subjects in 49 CFR Part 544

Crime insurance, Insurance, Insurance companies, Motor vehicles, Reporting and recordkeeping requirements.

■ In consideration of the foregoing, 49 CFR part 544 is amended as follows:

### PART 544—INSURER REPORTING REQUIREMENTS

■ 1. The authority citation for part 544 continues to read as follows:

**Authority**: 49 U.S.C. 33112; delegation of authority at 49 CFR 1.50.

■ 2. In § 544.5, paragraph (a), the second sentence is revised to read as follows:

#### § 544.5 General requirements for reports.

(a) \* \* \* This report shall contain the information required by § 544.6 of this part for the calendar year 3 years previous to the year in which the report is filed (e.g., the report due by October 25, 2007 will contain the required information for the 2004 calendar year).

\* \* \* \* \*

■ 3. Appendix A to part 544 is revised to read as follows:

#### Appendix A—Insurers of Motor Vehicle Insurance Policies Subject to the Reporting Requirements in Each State in Which They Do Business

Allstate Insurance Group  
American Family Insurance Group  
American International Group  
Auto-Owners Insurance Group  
CNA Insurance Companies  
Erie Insurance Group  
Berkshire Hathaway/GEICO Corporation Group  
Hartford Insurance Group  
Liberty Mutual Insurance Companies

Metropolitan Life Auto & Home Group  
Mercury General Group  
Nationwide Group  
Progressive Group  
Safeco Insurance Companies  
State Farm Group  
St Paul Travelers Companies<sup>1</sup>  
USAA Group  
Farmers Insurance Group

■ 4. Appendix B to part 544 is revised to read as follows:

#### Appendix B—Issuers of Motor Vehicle Insurance Policies Subject to the Reporting Requirements Only in Designated States

Alfa Insurance Group (Alabama)  
Auto Club (Michigan)  
Commerce Group, Inc. (Massachusetts)  
Farm Bureau of Idaho Group (Idaho)<sup>1</sup>  
Kentucky Farm Bureau Group (Kentucky)  
New Jersey Manufacturers Group (New Jersey)  
Safety Group (Massachusetts)  
Southern Farm Bureau Group (Arkansas, Mississippi)  
Tennessee Farmers Companies (Tennessee)

■ 5. Appendix C to part 544 is revised to read as follows:

#### Appendix C—Motor Vehicle Rental and Leasing Companies (Including Licensees and Franchisees) Subject to the Reporting Requirements of Part 544

Cendant Car Rental  
Dollar Thrifty Automotive Group  
EmKay, Inc.<sup>1</sup>  
Enterprise Rent-A-Car  
Enterprise Fleet Services  
Hertz Rent-A-Car Division (subsidiary of The Hertz Corporation)  
U-Haul International, Inc. (Subsidiary of AMERCO)  
Vanguard Car Rental USA

#### Stephen R. Kratzke,

*Associate Administrator for Rulemaking.*

[FR Doc. E7-17149 Filed 8-29-07; 8:45 am]

**BILLING CODE 4910-59-P**

<sup>1</sup> Indicates a newly listed company which must file a report beginning with the report due October 25, 2007.

<sup>1</sup> Indicates a newly listed company which must file a report beginning with the report due October 25, 2007.

<sup>1</sup> Indicates a newly listed company which must file a report beginning with the report due October 25, 2007.