

FRA expects to be able to determine these matters without an oral hearing. However, if a specific request for an oral hearing is accompanied by a showing that the party is unable to adequately present his or her position by written statements, an application may be set for public hearing.

Issued in Washington, D.C. on February 2, 1998.

Grady C. Cothen, Jr.,

Deputy Associate Administrator for Safety Standards and Program Development.

[FR Doc. 98-2980 Filed 2-5-98; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

Denial of Motor Vehicle Defect Petition

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

ACTION: Denial of petition for a defect investigation.

SUMMARY: This notice sets forth the reasons for the denial of a petition submitted to NHTSA under 49 U.S.C. 30162, requesting that the agency commence a proceeding to determine the existence of a defect related to motor vehicle safety.

FOR FURTHER INFORMATION CONTACT: Dr. George Chiang, Office of Defects Investigation, NHTSA, 400 Seventh Street, SW, Washington, DC 20590. Telephone: (202) 366-5206.

SUPPLEMENTARY INFORMATION: Mr. and Mrs. Scott Montreuil of Ramsey, Minnesota, submitted a petition dated October 1, 1997, requesting that an investigation be initiated to determine whether 1993 Chrysler Jeep Grand Cherokees contain a defect related to motor vehicle safety within the meaning of 49 U.S.C. Chapter 301. The petition alleges that 1993 Chrysler Jeep Grand Cherokees have a defective viscous coupling that could cause the steering to bind and lock up, and possibly affect the vehicle's braking.

Although not all Jeep Grand Cherokees utilize a viscous coupling, some 1993 through 1995 Jeep Grand Cherokees are equipped with a Quadra-Trac transfer case. An integral part of the Quadra-Trac transfer case is its viscous coupling, a speed-sensitive device that controls torque output between the front and rear drive shafts. The housing of the viscous coupling contains high viscosity silicone fluid and specially engineered metal plates splined alternately to an inner and outer

drum. When there is a difference in front-to-rear axle speed, such as when the rear wheels slip, the resulting friction between the metal plates increases the temperature inside the unit. This causes the fluid to expand, building pressure that moves the plates together. This occurs almost instantaneously in two modes: the "shear" mode, when momentary speed differences occur such as in cornering or tight turns, causing the plates to move near each other, or the "hump" mode, when high-speed differences occur for a longer period of time, such as in deep snow or on off-road trails, causing the plates to lock and the front and rear drive shafts to turn at the same speed for maximum traction. As traction is gained, the fluid cools, and the plates separate.

When the viscous coupling fails, it may remain in one of the above two modes all the time, regardless of whether there is a difference between front-and-rear axle speed. If the coupling fails in the "hump" mode on dry pavement, it may cause vehicle hopping/bucking during turns, resulting in rapid wear of tires.

NHTSA drove a Jeep Grand Cherokee with a simulated failure of the viscous coupling in the "hump" mode on dry pavement at various speeds. Some hopping/bucking was experienced while the vehicle executed turns. However, no steering or braking problems were experienced at any time.

A review of agency data files, including information reported to the Auto Safety Hotline by consumers, indicated that, aside from the petition, there were no other reports concerning failure or malfunction of the viscous coupling in 1993 Jeep Grand Cherokees. There was a report pertaining to transmission lockup when the engine was started, but this was not related to a failure of the viscous coupling.

Chrysler Corporation has received 40 complaints concerning failure or malfunction of the viscous coupling in the transfer case of 1993 Jeep Grand Cherokees. Five of these complaints report handling problems, such as vehicle hopping during turns. The remaining 35 complaints are solely related to financial assistance issues. No crashes or injuries were reported.

The agency has analyzed available information concerning the problem alleged in the petition. Based on its understanding of viscous couplings, NHTSA believes that the failure or malfunction of the viscous coupling in the subject vehicles cannot cause lockup of the steering or adversely affect the brake system.

For the reasons presented above, it is unlikely that NHTSA would issue an order for the notification and remedy of a safety-related defect in the subject vehicles at the conclusion of the investigation requested in the petition. Therefore, in view of the need to allocate and prioritize NHTSA's limited resources to best accomplish the agency's safety mission, the petition is denied.

Authority: 49 U.S.C. 30162(d); delegations of authority at CFR 1.50 and 501.8.

Issued on: January 26, 1998.

Kenneth N. Weinstein,

Associate Administrator for Safety Assurance.

[FR Doc. 98-2937 Filed 2-5-98; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. NHTSA-98-3412; Notice 1]

DeTomaso Modena S.p.A.; Receipt of Application for Temporary Exemption From Three Federal Motor Vehicle Safety Standards

DeTomaso Modena S.p.A. of Modena, Italy ("DeTomaso") has applied for a temporary exemption from portions of three Federal motor vehicle safety standards as described below. The basis of the application is that compliance would cause substantial economic hardship to a manufacturer that has tried in good faith to comply with each of the standards.

This notice of receipt of an application is published in accordance with the requirements of 49 U.S.C. 30113(b)(2) and does not represent any judgment of the agency on the merits of the application.

DeTomaso is a small, independent Italian passenger car manufacturer which produced 15 vehicles between September 1, 1996, and September 1, 1997. The current car produced, and the one for which exemption is sought, is the Guara GT coupe. DeTomaso's "sister" corporation, DeTomaso Ponente Srl, was recently formed to launch the development and production of the Bigua coupe, intended as the successor to the Guara. The Bigua has been designed to conform to all applicable U.S. Federal motor vehicle safety standards. However, DeTomaso anticipates that it cannot begin production of the Bigua until 1999 "given the significant investments required and the need for completion of outside financing." In the interim, it

needs to sell 50 Guaras in the next 12 months to have adequate cash-flow to prevent shut-down of its factory. Its cumulative net losses in the five-year period 1992-96 are slightly less than \$7,625,000. Critical revenue can be generated by selling some Guaras in the American market. This will also afford an opportunity for DeTomaso to reintroduce its name in the United States after an absence of 20 years (its Pantera model was sold through Lincoln-Mercury dealers in the 1970s).

The Guara has received full type approval under EC law. However, at the time it was designed, 1993, DeTomaso did not intend to sell it in the American market and such a decision was not reached until the Summer of 1997 when it became apparent that reentry into the United States with the Guara was financially necessary in advance of introduction of the fully-complying Bigua. DeTomaso cites NHTSA's grant of a temporary exemption to Bugatti as an example of relief being provided a vehicle which also was not designed with the U.S. market in mind (59 FR 11649). Its review of the Federal motor vehicle safety standards has led it to conclude that the Guara can meet all but a portion of three of them: Standard No. 208 *Occupant Crash Protection* (the automatic restraint requirements of paragraph S4.1.5), Standard No. 214 *Side Impact Protection* (the dynamic side impact requirements of paragraph S3(b)), and Standard No. 301 *Fuel System Integrity* (the lateral moving barrier and roll-over portions of paragraphs S6.3 and S6.4). Accordingly, it requests a two-year exemption from them. A denial would force DeTomaso to cease production of the Guara because of insufficient demand outside the United States for it, and remain closed until the Bigua was ready for manufacture. However, "a denial of the exemption request will create the grave risk that potential investors will refrain from consummating their investments and could thus jeopardize the entire existence of DeTomaso." The company believes that it has made a good faith effort for the Bigua to meet the Federal motor vehicle safety standards for which it is requesting exemption on behalf of the Guara.

The applicant believes that a temporary exemption would be in the public interest and consistent with traffic safety objectives for several reasons. The first is the low volume of exempted vehicles; it does not anticipate selling more than 50 Guaras in the United States over the next two years. The second is that the Guara will meet the requirements of S4.1 of Standard No. 208 with belted (3-point

system) crash test dummies. This test will be piggy-backed with Standard No. 301's frontal impact test; the applicant informs NHTSA that it "will modify its European design and fit reinforced structures on all exempted cars." It believes that "this design should also provide significant benefit as regards side impact protection." DeTomaso argues that the mounting of the fuel tank in the central tubular chassis will reduce the risk of fuel system damage in the event of a crash. Finally, it will place a label on the dash advising occupants of the exemption and the need to wear their seat belts.

Interested persons are invited to submit comments on the application described above. Comments should refer to the docket number and the notice number, and be submitted to: Central Docket Management Facility, room PI-401, 400 Seventh Street, SW., Washington, DC 20590. It is requested but not required that 10 copies be submitted.

All comments received before the close of business on the comment closing date indicated below will be considered, and will be available for examination in the docket (from 10 a.m. to 5 p.m.) at the above address both before and after that date. Comments may also be viewed on the Internet at web site dms.dot.gov. To the extent possible, comments filed after the closing date will also be considered. Notice of final action on the application will be published in the **Federal Register** pursuant to the authority indicated below.

Comment closing date: March 9, 1998.

(49 U.S.C. 30113; delegations of authority at 49 CFR 1.50 and 501.8)

Issued on February 2, 1998.

L. Robert Shelton,

Associate Administrator for Safety Performance Standards.

[FR Doc. 98-2997 Filed 2-5-98; 8:45 am]

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DEPARTMENT OF THE TREASURY

Submission to OMB for Review; Comment Request

January 26, 1998.

The Department of Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1995, Pub. L. 104-13. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the

OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, Room 2110, 1425 New York Avenue, NW., Washington, DC 20220.

Internal Revenue Services (IRS)

OMB Number: 1545-1565.

Notice Number: Notice 97-64.

Type of Review: Extension.

Title: Temporary Regulations to Be Issued Under Section (h) of the Internal Revenue Code (Applying Section 1(h) to Capital Gain Dividends of RICs and REITs).

Description: Notice 97-64 provides notice of forthcoming temporary regulations that will permit Regulation Investment Companies (RICs) and Real Estate Investment Trusts (REITs) to distribute multiple classes of capital gain dividends.

Respondents: Business or other for-profit, Individuals or households.

Estimated Number of Respondents: 3,000.

Estimated Burden Hours Per Respondent: 30 minutes.

Frequency of Response: Other (once).

Estimated Total Reporting Burden: 1,500 hours.

Clearance Officer: Garrick Shear (202) 622-3869, Internal Revenue Service, Room 5571, 1111 Constitution Avenue, NW., Washington, DC 20224.

OMB Reviewer: Alexander T. Hunt (202) 395-7860, Office of Management and Budget, Room 10226, New Executive Office Building, Washington, DC 20503.

Lois K. Holland,

Departmental Reports Management Officer.

[FR Doc. 98-2951 Filed 2-5-98; 8:45 am]

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DEPARTMENT OF THE TREASURY

Submission for OMB Review; Comment Request

January 28, 1998.

The Department of Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1995, Pub. L. 104-13. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, Room 2110, 1425 New York Avenue, NW., Washington, DC 20220.