the appropriate amount at the time of their initial application in order to have the application approved. The company issuing a surety bond must be listed in the Treasury Department Circular 570, ''Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies.'' This list appears in the **Federal Register** on or about July 1 of each year. Copies of the Circular and interim changes may be obtained directly from the Government Printing Office (202) 512–1800, or contact the U.S. Department of the Treasury, Financial Management Service, Surety Bond Branch, 3700 East West Highway, Room 6F04, Hyattsville, Maryland 20782, telephone (202) 874–6850 or Fax (202) 874–9978.

(2) The surety bond must be for a term of 12 months and must be renewed annually. The surety bond must be in an amount equal to at least 15 percent of the amount paid to the supplier by the Medicare program for claims for Medicare covered items provided in the previous year, as reflected in a supplier's IRS Form No. 1099, or by the historic payment information from the durable medical equipment regional carrier provider payment history file. The minimum surety bond amount for a supplier billing number, regardless of its Medicare revenues, is $50,000 annually. The maximum surety bond amount for a supplier billing number, regardless of its Medicare revenues, is $3,000,000 annually.

(3) For a supplier that has not previously participated in the Medicare program, the amount of the surety bond for each billing number must be equal to the sum of $50,000 for the first year of participation in the Medicare program. Thereafter, the rules set forth in § 424.57(e)(1) and (2) apply.

(4) As the obligee of the bond, HCFA may seek recovery by resorting to the surety bond if there are outstanding debts to the Medicare program, including overpayments, interest, civil money penalties and assessments or if a supplier's number is revoked.

(f) A supplier number will expire and a supplier must renew its application for a billing number 3 years after the billing number is first issued. Each supplier must complete an application for a billing number 3 years after its last number is issued.

(g) A supplier must have a complaint resolution protocol to address beneficiary complaints that relate to supplier standards in paragraph (c) of this section and to keep written complaints and related correspondence and any notes of actions taken in response to written and oral complaints. Failure to maintain such information may be considered evidence that supplier standards have not been met. Such information must be kept at its physical facility and made available to HCFA, upon request. A supplier must maintain the following information on all written and oral beneficiary complaints, including telephone complaints, it receives:

(1) The name, address, telephone number, and health insurance claim number of the beneficiary.

(2) A summary of the complaint and the date it was made; the name of the person taking the complaint; and a summary of any actions taken to resolve the complaint.

(3) If an investigation was not conducted, the name of the person making the decision and the reason for the decision.

(Catalog of Federal Domestic Assistance Program No. 93.773, Medicare—Hospital Insurance; and Program No. 93.774, Medicare—Supplementary Medical Insurance Program)

Dated: January 24, 1997.

Bruce C. Vladeck,

Administrator, Health Care Financing Administration.

Dated: August 14, 1997.

Donna Shalala

Secretary.

[FR Doc. 98–963 Filed 1–16–98; 8:45 am]

BILLING CODE 4120–01–P

DEPARTMENT OF TRANSPORTATION

Coast Guard

46 CFR Part 15

[USCG 98–3323]

RIN 2115–AF57

Federal Pilotage for Vessels in Foreign Trade

AGENCY: Coast Guard, DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Coast Guard proposes to require that foreign-trade vessels, under way on the Cape Fear River and the Northeast Cape Fear River in North Carolina, be under the direction and control of Federal pilots when not under the direction and control of State pilots. This measure is necessary to ensure that vessels are navigated by competent, qualified persons, knowledgeable in the local area and accountable to either the State or the Coast Guard. This measure would promote navigational safety by increasing the level of accountability and reducing the risk of accidents and the discharge of oil and other hazardous substances into these waters.

DATES: Comments must reach the Coast Guard on or before February 19, 1998.

ADDRESSES: You may mail comments to the Docket Management Facility, USCG 98–3323, U.S. Department of Transportation, Room PL–401, 400 Seventh Street SW., Washington, DC 20590–0001, or deliver them to room PL–401, located on the Plaza Level of the Nassif Building at the same address between 10:00 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The telephone number is 202–366–9329.

The Docket Management Facility maintains the public docket for this rulemaking. Comments, and documents as indicated in this preamble, will become part of this docket and will be available for inspection or copying at room PL–401, located on the Plaza Level of the Nassif Building at the above address between 10:00 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Paulette Twine, Chief, Documentary Services Division, U.S. Department of Transportation, telephone 202–366–9329 or Mr. Stewart Walker, Licensing and Manning Division, Office of Compliance (G–MOC–1), room 1116, 202–267–0745.

SUPPLELMENTARY INFORMATION:

Request for Comments

The Coast Guard encourages interested persons to participate in this rulemaking by submitting written data, views, or arguments. Persons submitting comments should include their names and addresses, identify this rulemaking USCG 98–3323 and the specific section of this document to which each comment applies, and give the reason for each comment. Please submit two copies of all comments and attachments in an unbound format, larger than 8½ by 11 inches, suitable for copying and electronic filing. Persons wanting acknowledgment of receipt of comments should enclose stamped, self-addressed postcards or envelopes.

The Coast Guard will consider all comments received during the comment period. It may change this proposed rule in view of the comments.

The Coast Guard plans no public hearing. Persons may request a public hearing by writing to the Marine Safety Council at the address under **ADDRESSES**. The request should include the reasons why a hearing would be beneficial. If it determines that the opportunity for oral presentations would aid this rulemaking, the Coast

Guard will hold a public hearing at a time and place announced by a later notice in the **Federal Register**.

Background and Purpose

Under subsection 8503(a) of title 46, United States Code, the Secretary of Transportation may require a Federally-licensed pilot to be aboard a self-propelled vessel engaged in foreign trade and operating on the navigable waters of the United States when State law does not require a pilot. Under this authority, on May 10, 1995 [60 FR 24793], the Coast Guard amended 46 CFR part 15 and required Federal pilots to be aboard vessels engaged in foreign trade and operating on certain navigable waters of the United States, within California, Hawaii, Massachusetts, and New York and New Jersey. At the same time, subsection 8503(b) provides that Federal authority to require Federally-licensed pilots on vessels in foreign trade terminates when the State having jurisdiction establishes a superseding requirement for a State pilot and notifies the Secretary of that fact.

Commercial vessels transit the Cape Fear River and Northeast Cape Fear River carrying various types of freight, oil, and hazardous substances and hazardous materials, as well as large quantities of bunkers. Under North Carolina law [General Statutes of North Carolina, 76A–16], every foreign vessel and every domestic vessel sailing under register must use a State-licensed pilot, except that the vessel need not use a State-licensed pilot if it is under the control of a docking master for certain movements on the Cape Fear River. These movements include berthing and unberthing, passing through bridges, and shifting within a port or terminal. North Carolina does not license, establish qualifications for, or regulate the competency of, docking masters. Although all docking masters currently operating on the Cape Fear River and Northeast Cape Fear River already hold valid Federal pilots' licenses (or pilotage endorsements on Federal licenses), holding these is voluntary and is currently neither a State nor a Federal requirement. Anyone may serve as docking master, and no one need demonstrate proficiency.

Recently, a foreign-flag bulk carrier under the control of a docking master was caught by the wind and current when leaving a pier above the Cape Fear Memorial Bridge. The vessel was set down river, perpendicular to the channel, while the docking master tried to rotate its bow downstream. Its stern struck and destroyed about 30 meters of the pier that it had just left. The docking master was not operating under the authority of either a Federal or a State pilot's license. North Carolina did not investigate this incident; and, in such a case, unless the person is operating under the authority of a Federal pilots' license (or endorsement), or the Coast Guard has some other basis for jurisdiction, the Coast Guard could not suspend or revoke his or her Federal license (or endorsement) for violations of statutes or rules intended either to promote marine safety or to protect the navigable waters, for misconduct, or for negligence [46 U.S.C. Chapter 77]. Even if the Coast Guard considered him or her professionally or medically incompetent, its ability to deny him or her the opportunity to serve as a docking master on foreign-trade vessels would be severely restricted.

The Coast Guard has determined that it is unsafe for vessels to undertake intra-port transits, undertake transits when not bound to or departing from ports, or otherwise navigate in the waters of the Cape Fear River or Northeast Cape Fear River except when under the direction and control of pilots accountable to the State or to the Coast Guard. These vessels represent an unacceptable risk to human life, property, and the environment. Therefore, the Coast Guard has determined that to require persons to serve under the authority of Federal first-class pilots' licenses (or endorsements), and so be accountable for their actions and competency, would increase maritime safety.

Currently, to obtain a Federal pilot's license (or endorsement), a person must pass a comprehensive examination, which includes, but is not limited to, performing a chart sketch of the area, demonstrating proficiency in the use of navigational aids, and maneuvering and handling ships in high winds, tides, and currents. Further, a person must complete a specific number of round trips and demonstrate specialized knowledge of the waters for which the license (or endorsement) is issued. Therefore, the Coast Guard proposes a Federal pilots' requirement for foreign-trade vessels operating in the designated waters of the Cape Fear River and Northeast Cape Fear River, unless the vessels are under the direction and control of State-licensed pilots operating under the authority of valid State pilots' licenses.

Discussion of Proposed Rule

This proposed rule would add a new section to 46 CFR part 15, subpart I, to require that every foreign-trade vessel operating on the Cape Fear River and Northeast Cape Fear River be under the direction and control of a Federally-licensed pilot except when under the direction and control of a State-licensed pilot operating under the authority of a valid State license. This rule would apply only to the Cape Fear River and Northeast Cape Fear River, since North Carolina allows docking masters to take control of foreign-trade vessels only in these waters.

Regulatory Evaluation

This proposed rule is not a significant regulatory action under section 3(f) of Executive Order 12866 and does not require an assessment of potential costs and benefits under section 6(a)(3) of that Order. It has not been reviewed by the Office of Management and Budget under that Order. It is not significant under the regulatory policies and procedures of the Department of Transportation (DOT) [44 FR 11040 (February 26, 1979)].

The Coast Guard expects the economic impact of this proposed rule to be so minimal that a full Regulatory Evaluation under paragraph 10e of the regulatory policies and procedures of DOT is unnecessary.

Foreign-trade vessels are normally under the direction and control of docking masters or State pilots when making intra-port transits or transits in congested waters. Those persons currently serving as docking masters do hold Federal pilots' licenses, although not required to do so by State or Federal regulation. Therefore, this proposed rule would not impose any immediate additional costs on the persons acting as docking masters. However, those persons entering this profession in the future would now be required to hold Federal pilots' licenses. Historically, persons filling these vacancies have already obtained Federal pilots' licenses and necessary endorsements in the normal course of advancement in this profession. Nevertheless, this rule would require an initial expense to obtain the license, in addition to a yearly physical and the five-year renewal fees. These costs should be insignificant as those persons currently acting as docking masters already have, and those likely to enter this profession would already have, the required license. This rule would promote responsibility and safety by requiring a Federal pilot, where the State requires no pilot, for foreign-trade vessels transiting or making intra-port transits within the waters of the Cape Fear River or Northeast Cape Fear River. The Coast Guard believes that the benefits of requiring licensed, qualified persons aboard these vessels significantly outweigh the small costs associated with implementing this rule.

Small Entities

Under the Regulatory Flexibility Act [5 U.S.C. 601–612], the Coast Guard considers whether this proposed rule, if adopted, would have a significant economic impact on a substantial number of small entities. These include independently owned and operated small businesses, that are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000.

The Coast Guard expects that this proposed rule would have minimal economic impact on small entities. The Coast Guard doubts whether vessels affected by this rule are owned or operated by small entities. However, State pilots' associations may qualify as small entities. The Coast Guard understands that persons now providing pilotage to foreign-trade vessels calling at ports on the Cape Fear River and Northeast Cape Fear River already hold Federal first-class pilots' licenses (or endorsements) for those waters. Therefore, the Coast Guard certifies under 5 U.S.C. 605(b) that this rule, if adopted, would not have a significant economic impact on a substantial number of small entities. If, however, you think that your business or organization qualifies as a small entity and that this rule would have a significant economic impact on your business or organization, please submit a comment (see **ADDRESSES**) explaining why you think it qualifies and in what way and to what degree this rule would economically affect it.

Assistance for Small Entities

In accordance with section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 [Pub. L. 104–121], the Coast Guard wants to assist small entities in understanding this proposed rule so that they can better evaluate its effects on them and participate in the rulemaking process. If this rule would affect your small business or organization, and if you have questions concerning its provisions or options for compliance, please contact Mr. Stewart Walker, Licensing and Manning Division, Office of Compliance (G–MOC–1), Room 1116, 202–267–0745.

Collection of Information

This proposed rule contains no collection of information requirements under the Paperwork Reduction Act of 1995 [44 U.S.C. 3501–3520].

Federalism

The Coast Guard has analyzed this proposed rule under the principles and criteria contained in Executive Order 12612 and has determined that this rule does not have sufficient implications for federalism to warrant the preparation of a Federalism Assessment.

Congress specifically, under 46 U.S.C. 8503(a), authorized the Federal Government to require a Federally licensed pilot where State law requires no pilot. North Carolina permits a docking master, not licensed by the State, to serve as pilot on certain waters of the State. Therefore, the Federal Government may require Federally-licensed pilots on those waters. The Federal authority to require that pilots hold Federal licenses is effective only until the State establishes a superseding requirement that pilots hold State licenses and notifies the Coast Guard of that fact according to 46 U.S.C. 8503(b).

Since this proposed rule aims primarily at requiring Federal pilots to supplement State pilots, the Coast Guard does not believe that the preparation of a Federalism Assessment is warranted. This rule would not impinge upon existing State laws. If North Carolina adopted superseding legislation requiring foreign vessels, and domestic vessels sailing on registry, to be under the direction and control of State-licensed pilots, the Coast Guard would withdraw its requirement, Thus, the Federal statute itself lets North Carolina preempt Federal authority. Still, the Coast Guard specifically seeks public comment on the implications of this rule for Federalism.

Environment

The Coast Guard considered the environmental impact of this proposed rule and concluded that, under paragraph 2.B.2.e.(34)(a) of Commandant Instruction M16475.1B, this rule is categorically excluded from further environmental documentation. The Coast Guard has determined that most people now providing pilotage to foreign-trade vessels within the Cape Fear River and Northeast Cape Fear River would continue to provide it since most pilots already hold Federal first-class pilots' licenses for these waters. Therefore, this rule would let affected vessels continue to operate according to current industry practices. The Coast Guard also recognizes that this rule may minimize the risk of environmental harm that may result from collisions and groundings of vessels. Nevertheless, this impact should not be significant enough to warrant further documentation. The ''Categorical Exclusion Determination'' is available in the docket for inspection or copying where indicated under **ADDRESSES**.

List of Subjects in 46 CFR Part 15

Crewmembers, Marine safety, Navigation (water), Seamen, Vessels.

For the reasons discussed in the preamble, the Coast Guard proposes to amend 46 CFR part 15 as follows:

PART 15—MANNING REQUIREMENTS

1. The authority citation for part 15 continues to read as follows:

Authority: 46 U.S.C. 2101, 2103, 3306, 3703, 8101, 8102, 8104, 8105, 8301, 8304, 8502, 8503, 8701, 8702, 8901, 8902, 8903, 8904, 8905(b), 9102; 49 CFR 1.45 and 1.46.

2. Add § 15.1050 to read as follows:

§ 15.1050 North Carolina.

(a) The following navigable waters of the United States within the State of North Carolina when the vessel is maneuvering while berthing or unberthing, is approaching or passing through a bridge, or is making any intra-port transit, which transit may include but is not limited to movement from a dock to a dock, from a dock to an anchorage, from an anchorage to a dock, or from an anchorage to an anchorage, within either of the following areas:

(1) The waters of the Cape Fear River from the boundary line established by 46 CFR 7.60 to Latitude 34°–15.7′ N.

(2) The waters of the Northeast Cape Fear River from its confluence with the Cape Fear River at Point Peter to Latitude 34°–17′ N.

(b) This subpart does not apply to the waters specified in paragraph (a) of this section if a vessel is under the direction and control of a State-licensed pilot operating under the authority of a valid State pilot's license.

Dated: January 7, 1998.

Joseph J. Angelo,

Acting Assistant Commandant for Marine Safety and Environmental Protection.

[FR Doc. 98–1271 Filed 1–16–98; 8:45 am]

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