

small governmental jurisdictions. This proposed rule will not have a significant impact on a substantial number of small entities because SIP approvals under section 110 and subchapter I, part D of the Clean Air Act do not create any new requirements but simply approve requirements that the State is already imposing. Therefore, because the Federal SIP approval does not create any new requirements, I certify that this action will not have a significant economic impact on a substantial number of small entities. Moreover, due to the nature of the Federal-State relationship under the Clean Air Act, preparation of a flexibility analysis would constitute Federal inquiry into the economic reasonableness of state action. The Clean Air Act forbids EPA to base its actions concerning SIPs on such grounds. *Union Electric Co. v. U.S. EPA*, 427 U.S. 246, 255-66 (1976); 42 U.S.C. 7410(a)(2).

F. Unfunded Mandates

Under section 202 of the Unfunded Mandates Reform Act of 1995 ("Unfunded Mandates Act"), signed into law on March 22, 1995, EPA must prepare a budgetary impact statement to accompany any proposed or final rule that includes a Federal mandate that may result in estimated annual costs to State, local, or tribal governments in the aggregate; or to private sector, of \$100 million or more. Under section 205, EPA must select the most cost-effective and least burdensome alternative that achieves the objectives of the rule and is consistent with statutory requirements. Section 203 requires EPA to establish a plan for informing and advising any small governments that may be significantly or uniquely impacted by the rule. EPA has determined that the proposed approval action does not include a Federal mandate that may result in estimated annual costs of \$100 million or more to either State, local, or tribal governments in the aggregate, or to the private sector.

This Federal action approves pre-existing requirements under State or local law, and imposes no new requirements. Accordingly, no additional costs to State, local, or tribal governments, or to the private sector, result from this action to propose approval of Maryland's NOx Budget Program to implement Phase II of the OTC MOU.

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Nitrogen dioxide, Ozone, Reporting and recordkeeping requirements.

Authority: 42 U.S.C. 7401 *et seq.*

Dated: January 19, 1999.

Thomas C. Voltaggio,

Acting Regional Administrator, Region III.

[FR Doc. 99-1757 Filed 1-25-99; 8:45 am]

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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[MD079-3035; FRL-6218-1]

Approval and Promulgation of Air Quality Implementation Plans; Maryland; Control of VOCs From the Manufacture of Explosives and Propellant

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: EPA proposes to approve the State Implementation Plan (SIP) revision submitted by the State of Maryland. This revision imposes reasonably available control technology (RACT) requirements for volatile organic compounds (VOCs) from sources that manufacture explosives and propellant. In the Final Rules section of this **Federal Register**, EPA is approving Maryland's SIP revision as a direct final rule without prior proposal because the Agency views this as a noncontroversial SIP revision and anticipates no adverse comments. A detailed rationale for the approval is set forth in the direct final rule and the technical support document is available at the address given below. If no adverse comments are received in response to this rule, no further activity is contemplated in relation to this rule. If EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. EPA will not institute a second comment period on this action. Any parties interested in commenting on this action should do so at this time.

DATES: Comments must be received in writing by February 25, 1999.

ADDRESSES: Written comments should be addressed to David L. Arnold, Chief, Ozone and Mobile Sources Section, Mailcode 3AP21, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103. Copies of the documents relevant to this action are available for public inspection during normal business hours at the Air Protection Division, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103;

Maryland Department of the Environment, 2500 Broening Highway, Baltimore, Maryland, 21224.

FOR FURTHER INFORMATION CONTACT: Paul T. Wentworth (215) 814-2183, at the EPA Region III address above.

SUPPLEMENTARY INFORMATION: See the information provided in the Direct Final action of the same title which is located in the Rules and Regulations Section of this **Federal Register**.

Authority: 42 U.S.C. 7401 *et seq.*

Dated: December 30, 1998.

Thomas Voltaggio,

Acting Regional Administrator, Region III.

[FR Doc. 99-1763 Filed 1-25-99; 8:45 am]

BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Parts 52 and 81

[MO 043-1043(b); FRL-6219-9]

Approval and Promulgation of Implementation Plans; Designation of Areas for Air Quality Planning Purposes; State of Missouri

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The EPA proposes to approve a redesignation request submitted by the state of Missouri on June 13, 1997. Additional material was submitted on June 15, 1998. In this submittal, Missouri submitted a maintenance plan and a request that a portion of St. Louis be redesignated to attainment of the National Ambient Air Quality Standards (NAAQS) for carbon monoxide. In the final rules section of the **Federal Register**, the EPA is approving the state's State Implementation Plan (SIP) revision and request for redesignation as a direct final rule without a prior proposal, because the Agency views this as a noncontroversial revision and redesignation and anticipates no adverse comments. A detailed rationale for the approval is set forth in the direct final rule. If no adverse comments are received in response to this action, no further activity is contemplated in relation to this rule. If the EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. The EPA will not institute a second comment period on this document. Any parties interested in commenting on this document should do so at this time.

DATES: Comments must be received in writing by February 25, 1999.

ADDRESSES: Comments may be mailed to Stanley Walker, Environmental Protection Agency, Air Planning and Development Branch, 726 Minnesota Avenue, Kansas City, Kansas 66101.

FOR FURTHER INFORMATION CONTACT: Stanley Walker at (913) 551-7494.

SUPPLEMENTARY INFORMATION: See the information provided in the direct final rule which is located in the rules section of the **Federal Register**.

Dated: January 7, 1999.

William Rice,

Acting Regional Administrator, Region VII.
[FR Doc. 99-1333 Filed 1-25-99; 8:45 am]

BILLING CODE 6560-50-P

FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Part 61

RIN 3067-AC96

National Flood Insurance Program (NFIP); Insurance Coverage and Rates

AGENCY: Federal Emergency Management Agency (FEMA).

ACTION: Proposed rule.

SUMMARY: We (FEMA) propose a rule that would increase the amount of premium you (the flood insurance policyholder) pay for flood insurance coverage for "pre-FIRM" buildings in coastal areas subject to high velocity waters, such as storm surges, and wind-driven waves ("V" zones). ("Pre-FIRM" buildings are those whose construction was started before January 1, 1975, or the effective date of a community's Flood Insurance Rate Map (FIRM), whichever is later. Pre-FIRM buildings and their contents are eligible for subsidized rates.) We propose this rate increase to bring the subsidized premiums that we currently charge for pre-FIRM, V-zone properties more in line with their actual risk.

DATES: Please send any comments received on or before February 25, 1999.

ADDRESSES: Please send your comments to the Rules Docket Clerk, Office of the General Counsel, Federal Emergency Management Agency, 500 C Street, SW., room 840, Washington, DC 20472, (facsimile) 202-646-4536, or (email) rules@fema.gov.

FOR FURTHER INFORMATION CONTACT: Charles M. Plaxico, Jr., Federal Emergency Management Agency, Federal Insurance Administration, 202-646-3422, (facsimile) 202-646-4327, or (email) charles.plaxico@fema.gov.

SUPPLEMENTARY INFORMATION:

Background

The National Flood Insurance Act of 1968, as amended, authorizes the sale of flood insurance under the National Flood Insurance Program (NFIP). The NFIP makes flood insurance available in communities that adopt and enforce floodplain management ordinances designed to reduce future flood damage. Until we can complete a detailed flood risk study that produces a FIRM for your community (or in some cases if we decide that such a study is not cost effective), your community participates in what we call the "emergency program." Only a limited amount of flood insurance is available in the emergency program. We refer to construction started before January 1, 1975, or the effective date of the FIRM, whichever is later, as "pre-FIRM" construction. The premium rates we charge you for flood insurance coverage on pre-FIRM buildings are less than full risk premiums. (Throughout this proposed rule, we use the terms "subsidized rates" and "chargeable rates" interchangeably to describe less than full-risk premiums under the NFIP.)

Statutory Mandates for Setting Flood Insurance Premiums

Pub. L. 93-234 requires us to charge *full-risk* premiums for flood insurance coverage on buildings when their construction began after December 31, 1974, or the effective date of FEMA's Flood Insurance Rate Map, if the second date is later. (We call such construction "post-FIRM" construction.)

Pub. L. 93-234 authorizes us to apply chargeable rates to pre-FIRM property and gives the Federal Insurance Administrator flexibility to set the flood insurance rates for pre-FIRM construction. This legislation calls for us to balance the need to offer reasonable rates that encourage people to buy flood insurance with the statutory goal to distribute burdens fairly between all who will be protected by flood insurance and the general public.

Proposed Change and Its Purposes

We are proposing to increase the subsidized rates we charge for the initial limits of coverage under the NFIP for pre-FIRM properties that are in "V" zones on FEMA's FIRMs. ("V" zones represent coastal areas subject to high velocity water such as wind-driven waves from storms or tidal surges that are extremely hazardous to people and property). Subsidized rates are the same currently for properties in V and A

zones). We are proposing this rate increase to distribute economic burdens more fairly among policyholders of the NFIP and the general body of taxpayers.

Need To Build Reserves for Future Catastrophic Losses

One of the goals of the NFIP is to shift the financial burden for flood disasters from the general body of taxpayers to those who live or own businesses at risk in the flood plains. The NFIP is doing that. Bringing our subsidized premiums as close to full risk premiums as our loss experience permits will work toward that goal and will reflect some of the variations in risk among properties eligible for subsidized premiums rates.

We currently use the same chargeable rates throughout the country for:

- (1) buildings and contents in communities in the Emergency Program or initial phase of the NFIP, and
- (2) certain structures in the Regular Program.

But the sum of the chargeable or subsidized premium and other administrative fees that you pay for flood coverage is less than our expenses and loss payments.

Recognition of Inherently Greater Risks

Until now, we have charged the same subsidized premium rate for flood insurance coverage in different risk zones of pre-FIRM property. Pre-FIRM properties in V zones are inherently greater risks than similar properties in A zones. This truth is born out by our loss experience. Our loss experience tells us that we must reflect in our chargeable rates the greater degree of hazard of a pre-FIRM property in a V-zone area than the hazard of a similar pre-FIRM property in an A-zone area.

Subsidized Rate Increases in the Past

We have increased the chargeable or subsidized premium rates three times during the program's history for the same reason that we are proposing this rule: to distribute burdens fairly among all who will be protected by flood insurance and among the general public. The changes proposed in this rule would move us closer toward that goal by bringing subsidized premiums more in line with the actual risk.

Comparison of Proposed Rate Increases With Current Rates

The following chart shows the existing subsidized rates for A-zone properties and the proposed increases for V-zone properties: