proposed rule. *See* 2 U.S.C. 431(8)(B)(xi)(3) and (9)(B)(ix)(3); 11 CFR 100.89 and 100.149. Finally, the Commission seeks comment on whether proposed 11 CFR 106 .8 should apply to candidates for the Senate and the House of Representatives as well as presidential candidates.

Certification of No Effect Pursuant to 5 U.S.C. 605(b) [Regulatory Flexibility Act]

The attached proposed rules, if promulgated, would not have a significant economic impact on a substantial number of small entities. The basis for this certification is that few, if any, small entities would be affected by these proposals, which apply only to committees of political parties. National, State and many local party committees of the two major political parties and other political committees are not small entities under 5 U.S.C. 601 because they are not small businesses, small organizations, or small governmental jurisdictions. The proposed rules are intended to simplify the determination as to the amount of a party committee expenditure that must be attributed to a presidential candidate in the case of certain telephone bank communications and to clarify what funding is permissible. Any increase in the cost of compliance that might result from these proposed rules would not be in an amount sufficient to cause a significant economic impact.

List of Subjects in 11 CFR Part 106

Campaign funds, Political committees and parties, Political candidates.

For the reasons set out in the preamble, the Federal Election Commission proposes to amend subchapter A of chapter 1 of title 11 of the *Code of Federal Regulations* as follows:

PART 106—ALLOCATIONS OF CANDIDATE AND COMMITTEE ACTIVITIES

1. The authority citation for part 106 would continue to read as follows:

Authority: 2 U.S.C. 438(a)(8), 441a(b), 441a(g).

2. New section 106.8 would be added to read as follows:

§ 106.8 Allocation of expenses for political party committee phone banks that refer to a clearly identified presidential or vice presidential nominee.

(a) *Scope.* Except as provided in 11 CFR 100.89 and 100.149, this section applies to a phone bank conducted by a national, State, district, or local committee or organization of a political party where—

(1) The communication refers to a clearly identified presidential or vice presidential nominee;

(2) The communication does not refer to any other clearly identified Federal or non-Federal candidate;

(3) The communication generically refers to other candidates of the presidential nominee's party without clearly identifying them; and

(4) The communication does not solicit a contribution, donation, or any other funds from any person.

Alternative A

(b) *Attribution.* Each expenditure for the phone bank described in paragraph (a) of this section (including an in-kind contribution, independent expenditure, and coordinated expenditure) shall be attributed as follows:

(1) Fifty percent of the disbursement for the phone bank is attributed to the presidential and vice presidential nominees; and

(2) The remaining fifty percent is not attributable to any other Federal or non-Federal candidate, but must be paid for entirely with Federal funds.

Alternative B

(b) *Attribution.* The entire amount of each expenditure for the phone bank described in paragraph (a) of this section (including an in-kind contribution, independent expenditure, and coordinated expenditure) shall be attributed to the presidential and vice presidential nominees.

Dated: August 29, 2003.

Ellen L. Weintraub,

Chair, Federal Election Commission.

[FR Doc. 03–22533 Filed 9–3–03; 8:45 am]

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FEDERAL ELECTION COMMISSION

11 CFR Parts 110, 113, 9004, and 9034

[Notice 2003–17]

Mailing Lists of Political Committees

AGENCY: Federal Election Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Federal Election Commission requests comments on proposed additions to its rules covering the sale, rental, and exchange of political committee mailing lists. The proposed rules address when the proceeds of a political committee's rental or sale of its mailing list, or an exchange of its mailing list with another entity, would be considered a contribution to that committee subject to the limitations and prohibitions of the Federal Election Campaign Act of 1971. The proposed rules also address the personal use by a candidate of his or her authorized committee's mailing list. Finally, the proposed rules address the sale or rental of a mailing list by an authorized committee of a publicly funded presidential candidate. The Commission has not made any final decisions on any of the proposed revisions in this Notice. Further information is provided in the **SUPPLEMENTARY INFORMATION** that follows.

DATES: Comments must be received on or before September 25, 2003. If the Commission receives sufficient requests to testify, it will hold a hearing on these proposed rules on October 1, 2003, at 9:30 a.m. Commenters wishing to testify at the hearing must so indicate in their written or electronic comments.

ADDRESSES: All comments should be addressed to Ms. Mai T. Dinh, Acting Assistant General Counsel, and must be submitted in either electronic or written form. Electronic mail comments should be sent to *mailinglists@fec.gov* and must include the full name, electronic mail address and postal service address of the commenter. Electronic mail comments that do not contain the full name, electronic mail address and postal service address of the commenter will not be considered. If the electronic mail comments include an attachment, the attachment must be in the Adobe Acrobat (.pdf) or Microsoft Word (.doc) format. Faxed comments should be sent to (202) 219–3923, with printed copy follow-up to ensure legibility. Written comments and printed copies of faxed comments should be sent to the Federal Election Commission, 999 E Street, NW., Washington, DC 20463. Commenters are strongly encouraged to submit comments electronically to ensure timely receipt and consideration. The Commission will make every effort to post public comments on its Web site within ten business days of the close of the comment period. The hearing will be held in the Commission's ninth floor meeting room, 999 E Street NW., Washington, DC.

FOR FURTHER INFORMATION CONTACT: Ms. Mai T. Dinh, Acting Assistant General Counsel, or Mr. Jonathan M. Levin, Senior Attorney, 999 E Street NW., Washington, DC 20463, (202) 694–1650 or (800) 424–9530.

SUPPLEMENTARY INFORMATION: One of the principal assets of many political committees is their mailing list. Political committees develop their mailing lists to ensure a high response rate from potential contributors. Several advisory

opinions, audits, and enforcement matters have presented a number of issues concerning the rental, sale, exchange, disposition, and ownership of political committees' mailing lists.[1] Central to the analysis of these issues is whether the proceeds from these transactions are contributions to the political committees that are subject to the Federal Election Campaign Act of 1971, as amended (''FECA'' or ''the Act''), 2 U.S.C. 431, *et seq.* The Commission is beginning this rulemaking to adopt formally its historical approach to these issues, or to modify those approaches as appropriate, and to provide candidates and political committees with more comprehensive guidance on commercial transactions involving mailing lists.

I. Proposed Addition of 11 CFR 110.21 Committee Rental or Sale of Mailing Lists to Others

A. Background and Overview

The Act defines the term ''contribution'' to include ''any gift, subscription, loan, advance, or deposit of money or *anything of value* made by any person for the purpose of influencing any election for Federal office.'' 2 U.S.C. 431(8)(A)(i) (emphasis added); *see also* 11 CFR 100.52(a). The term ''anything of value'' is defined in the regulations as ''the provision of any goods or services without charge or at a charge that is less than the usual and normal charge for such goods or services.'' 11 CFR 100.52(d)(1). The ''usual and normal charge'' for goods is defined in 11 CFR 100.52(d)(2) as ''the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution.'' Under 11 CFR 100.52(d)(1), the provision of goods or services at less than the usual and normal charge is an in-kind contribution in the amount of the difference between the usual and normal charge and the amount charged the political committee. The regulations also provide, however, that the entire amount paid as the purchase price for a fundraising item sold by a political committee is a contribution. 11 CFR 100.53.

Proposed 11 CFR 110.21 would state when certain transactions involving the sale or rental of a mailing list by a political committee are contributions to that committee and when they are not. Proposed paragraph (a) would list the conditions that would need to be satisfied for a mailing list rental payment to not be a contribution by the person leasing the mailing list. Proposed paragraph (b) would incorporate similar conditions for the sale of mailing lists. Proposed paragraph (c) would explain the ramifications of failing to comply with proposed paragraphs (a) or (b). Reporting would be addressed in proposed paragraph (d). Transactions between a candidate and his or her authorized committee would be covered in proposed paragraph (e).

B. 11 CFR 110.21(a)—Rental of Mailing List

Proposed 11 CFR 110.21(a) would affirmatively allow political committees to rent their mailing lists to other persons, including other political committees. Further, it states that the rental payments would not be treated as contributions if certain conditions pertaining to the rental charge and use of the mailing list are met. These conditions are explained in detail below.

1. Usual and Normal Charge

One of the key factors used by the Commission in determining whether a sale or rental of a mailing list results in a contribution is whether the amount paid is the usual and normal charge for the mailing list. *See* AO 2002–14. The usual and normal charge for a mailing list allows the Commission to determine whether the sale or rental of a political committee's mailing list is a transaction for equal value.

A mailing list that is frequently rented on the open market is likely to be listed and described in a catalogue such as the *SRDS Direct Marketing List Source.* For each of thousands of lists, the catalogue states the number of names on the list, the price per thousand names, the minimum number of names that must be ordered, fees for addressing services, the amount of the commission, and credit policies. If a political committee does not routinely rent out its mailing list, it might not be listed in such a catalogue. However, even if a mailing list does not appear in a catalogue, a reasonable rental price might be ascertainable so long as the valuator is aware of the significance of various factors in the market (*e.g.*, he or she knows how lists with comparable characteristics are valued, as well as the pricing ranges for comparable lists). The price may depend upon such factors as how recently the names were updated for accurate addresses, how responsive the individuals on the mailing list have been to other similar solicitations (particularly recent solicitations), the income level of the individuals, and the classification according to list industry sector or other subject matter. The Commission seeks comments on the ways in which mailing list rentals by political committees are similar and/or different from mailing list rentals by non-political entities.

Proposed 11 CFR 110.21(a)(1) would make ascertaining the usual and normal charge of a mailing list in advance one of the conditions that must be satisfied for the rental proceeds not to be contributions. This proposed regulation would not, however, define the factors that a committee should use to determine the usual and normal charge. Without any further specificity, the definition of ''usual and normal charge'' at 11 CFR 100.52(d)(2) and 100.111(e)(2) would apply. The Commission seeks comment on whether the rule in new 11 CFR 110.21 should specify the appropriate means for determining the usual and normal charge of a mailing list, and if so, whether this should be done by adding additional factors or in some other fashion. If the *SRDS Direct Marketing List Source* is not dispositive on the fair market value of a mailing list, are there other appropriate methodologies that can be used to determine the fair market value of a political committee's list that takes into account the unique nature of political mailing lists?

The Commission also seeks comment on whether the political committee that wishes to rent its mailing list should have the burden of establishing what the usual and normal rental charge is and, if so, whether it should be required to do so prior to renting the list. In the alternative, the Commission seeks comment on a proposed rule that would not specify who has the burden of establishing what the usual and normal charge is or when that charge must be established, but that would still require political committees to rent their mailing lists at the usual and normal charge in order to avoid receiving contributions from the lessees.

Proposed paragraph (a)(1) would also address the other services (*e.g.*, labels) provided with the mailing list in the ordinary course of business because other services appear to be priced separately. The Commission seeks comment on whether it is necessary to enumerate such services in paragraph (a)(1), or whether to assume that the usual and normal rental charge includes such services. Comment is also sought on whether services other than labels should be specifically mentioned in considering the usual and normal charge.

[1] *See* Advisory Opinions (''AO'') 2003–16, 2002–14, 1988–12, 1982–41, 1981–53, and 1081–46; Matters Under Review (''MURs'') 4382 and 4401 (Dole for President, Inc.), MUR 3371 (Americans United Committee), and MUR 1602 (Republican National Independent Expenditure Committee).

2. Rental at the Usual and Normal Charge With Commercially Reasonable Contractual Terms

Proposed paragraph (a)(2) of 11 CFR 110.21 would require that the mailing list (or list portion) be rented at the usual and normal charge for the contracted use of the list in a *bona fide* arm's length transaction with commercially reasonable contractual terms. Proposed paragraph (a)(2) would also indicate that if there is not a *bona fide* arm's length transaction, a rebuttable presumption would be raised that the exchange is not of equal value.

The Commission has relied on several signposts for ensuring that an arrangement between a political committee and another person constitutes a *bona fide* transaction, rather than serving as a vehicle for making a contribution to the committee. One of the most important of these signposts is whether the transaction represented a bargained-for exchange negotiated at arm's length. For example, the list rentals at issue in AO 2002–14 were approved on the condition that the lists be ''leased at the usual and normal charge in a *bona fide*, arm's length transaction.'' The very concept of ''fair market value,'' which is virtually identical to the concept of ''usual and normal charge'' as defined in the Commission's regulations, is defined by Black's Law Dictionary as ''[t]he price that a seller is willing to accept and a buyer is willing to pay on the open market and in an arm's length transaction.'' Black's Law Dictionary 1549 (7th ed. 1999). The Commission seeks comment on whether a lack of arm's length bargaining should result in a rebuttable presumption that the exchange is not for fair market value. *Cf. Rybak* v. *Commissioner,* 91 T.C. 524, 536–37 (U.S. Tax Court 1988) (in tax law, where transactions are frequently examined for whether they should be disregarded for lack of economic substance, ''[t]he absence of arm's length negotiations is a key indicator that a transaction lacks economic substance.'')

To provide guidance on what constitutes commercially reasonable terms, proposed paragraph (a)(2) of new 11 CFR 110.21 would list three factors, although other factors could be considered as well. These factors are intended to ensure that the rental agreement provides that the lessee uses the mailing list in a manner comparable to the use in normal commercial transactions, thereby preventing transactions where the lessee attempts to make a contribution in the guise of a rental payment.

Two factors, in proposed paragraphs (a)(2)(i) and (ii), would examine whether the rental agreement permits use within a specified time only and, if so, whether this specified time is a reasonable period of time. The inclusion of factors in proposed paragraphs (a)(2)(i), (ii) and (iv) is intended to ensure that actual use would occur and that delayed use would be based on reasonable business considerations, such as to avoid competing with a political committee solicitation to the same group of persons. The Commission seeks comment on whether it should define what is a ''reasonable'' period of time and, if so, how it should do so.

The other factor, at proposed paragraph (a)(2)(iii), would focus on the number and types of uses by the person leasing the mailing list to ensure that the rental agreement represents a *bona fide* commercial transaction consistent with industry norms and not a transaction used to provide something of value to the political committee. The use of the phrases ''usual and normal practice of the [list] industry'' and ''established procedures and past practice'' are consistent with the Commission's regulations on extensions of credit in the ordinary course of business. *See* 11 CFR 116.3(c). As to the number of uses under proposed paragraph (a)(2)(iii), the Commission seeks comments as to whether providing for more than one-time use would be commercially reasonable under industry practice. Should the rules establish a rebuttable presumption that multiple uses are not commercially reasonable?

The Commission seeks comment on the appropriateness of these factors and what other factors, if any, should be included. The Commission also seeks comment on whether the presence of a ''*bona fide* arm's length transaction'' should be required under the proposed rule, particularly if mailing lists are rented out at the usual and normal charge pursuant to commercially reasonable terms. If the Commission does require the presence of a ''*bona fide* arm's length transaction,'' should the Commission conclude that this requirement cannot be satisfied if committees of the same candidate, or party committees of the same political party, rent mailing lists from each other, or if a candidate's authorized committee rents a mailing list from an unauthorized committee such as that candidate's leadership PAC?

In addition, should proposed 11 CFR 110.21(a)(2) include a factor that considers whether a mailing list is developed over time by the political committee primarily for the political committee's own use? Conversely, should the proposed rules state that revenue generated from a mailing list that is owned by the political committee, but not developed over time by it for its own use, is not a form of fundraising, and therefore not a contribution? In AO 1991–34, the Commission stated that generally the use of a political committee's asset to generate income through ongoing business or commercial ventures is fundraising in another form. Consequently the proceeds from such ventures would be contributions. However, this advisory opinion also reiterated the Commission's statement in AO 1988–12 that if an asset such as a mailing list was developed by the political committee primarily for its own use and not as a fundraising activity, then income generated from that asset would not be contributions.

Lastly, while proposed paragraph (a)(4) would focus on the rental agreement, the proposed rule does not include provisions that would examine the conduct of the person leasing the mailing list once the rental has occurred, to verify that the person leasing the mailing list in fact uses the mailing list in accordance with the agreement. The Commission seeks comment on whether the proposed rules should include such a provision.

C. 11 CFR 110.21(b)—Committee Sale of the Mailing List

Proposed 11 CFR 110.21(b) would set forth the conditions under which the proceeds from the sale of a political committee's mailing list would not be a contribution by the purchaser to the political committee. Like proposed paragraph (a)(1), proposed paragraph (b)(1) would require that the political committee ascertain in advance the usual and normal charge for the sale of the mailing list. The political committee would also be required to sell the mailing list at that price under proposed paragraph (b). As in the case of charges for a list rental, the Commission seeks comment on whether the political committee that wishes to sell its mailing list should have the burden of establishing what the sale price is and, if so, whether it should be required to do so prior to selling the list. In the alternative, the Commission seeks comment on a proposed rule that would not specify who has the burden of establishing what the usual and normal charge is or when that sales price must be established, but that would still require political committees to sell their mailing lists at the usual and normal charge in order to avoid receiving contributions from the purchasers.

Proposed paragraph (b) would also include the condition contained in proposed paragraph (a)(2) that the sale agreement be a *bona fide* arm's length transaction on commercially reasonable terms, including terms that address the use of the list by the purchaser. The Commission again seeks comment on whether the presence of a ''*bona fide* arm's length transaction'' should be a separate requirement under the rule. Comment is also sought as to what factors are appropriate for determining the commercial reasonability of the sale of a mailing list. For the reasons discussed above, there would also be a rebuttable presumption that the exchange is not of equal value if the parties do not engage in a *bona fide* arm's length transaction.

The Commission also seeks comment on whether it is usual and customary in the commercial list marketplace for one entity to provide raw list data to another entity that updates and enhances the data and where both entities consequently have access to the list. If so, comment is sought as to whether such a transaction is a commercially reasonable exchange of equal value that would not be an in-kind contribution.

The Commission understands that outright sales of lists are not common and that the sale price of a usable list would be substantially greater than a rental price. This is particularly true for political committees because they depend upon their mailing lists for the solicitation of funds. In advisory opinions approving the sale (as opposed to rental) of mailing lists, the Commission considered one situation involving a terminating committee, and another situation involving a committee of a Federal officeholder that was selling assets to his gubernatorial campaign committee. AOs 1989–4 and 1981–53. In contrast to a terminating committee, an ongoing political committee's sale of a valuable list in an arm's length transaction, for which it would normally be paid a price much greater than the rental price, would be unusual. The Commission seeks comment on whether its understandings as to the frequency of sales and the differences between sales prices and rental charges are correct. More specifically, the Commission also seeks comment as to the likelihood of, and the circumstances surrounding, an ongoing political committee selling its mailing list (as opposed to updating its current lists).

Related to comments on actual ongoing practices with respect to mailing lists, the Commission seeks comment on whether proposed 11 CFR 110.21(b) should contain a condition that the political committee must be preparing to terminate because the sale of a mailing list by an ongoing political committee is so unusual that it would be *per se* commercially unreasonable. Should the Commission prohibit the sale of mailing lists other than in certain limited circumstances on the basis that there is no readily ascertainable market value for such lists? If not, what sources should the Commission look to in order to determine an objective value for the sale of mailing lists? Furthermore, if the Commission decides to adopt a rule that would limit the sale of a political committee's mailing list to a specified period before it files a termination report, should the Commission adopt exceptions to this special rule? For example, does a purchaser of a political committee's mailing list make a contribution to that committee if the list has not been updated recently and is of substantially depreciated value?

D. 11 CFR 110.21(c)—Rental or Sale Proceeds

Under proposed 11 CFR 110.21(c)(1), a transaction that does not comply with the conditions set forth in proposed paragraphs (a) or (b) would be fundraising, and thus would be treated as an in-kind contribution to the political committee, subject to the applicable limits and source prohibitions of the Act. The contribution amount would be the entirety of the rental or sales proceeds (not just the difference between the usual and normal charge and an amount paid that exceeds that charge). Treatment of the entire payment for a mailing list as a contribution would be consistent with 11 CFR 100.53, which states that ''the entire amount paid as the purchase price for a fundraising item sold by a political committee is a contribution.'' Nevertheless, the Commission seeks comment on including in proposed paragraph (c)(1) the opposite approach of setting the amount of the contribution as the amount paid that exceeds the usual and normal charge for the sale of the mailing list.

While proposed 11 CFR 110.21(c)(1) would address sale or rental of mailing lists at an amount that exceeds the usual and normal charge, proposed paragraph (c)(2) would retain the current rule at 11 CFR 100.52 for situations where a political committee donates or transfers its mailing list or rents or sells its mailing list at less than the usual or normal charge.

E. 11 CFR 110.21(d)—Rental or Sale to the Candidate

Proposed 11 CFR 110.21(d) would address situations where an authorized committee sells or rents its mailing list to the candidate who formed the authorized committee. The proposed rule would treat the amount paid by the candidate for the mailing list as a contribution from the candidate to the authorized committee in that amount. This provision would recognize that a transaction between these two parties is not at arm's length.

F. 11 CFR 110.21(e)—Reporting of Proceeds

Proposed 11 CFR 110.21(e) would require that proceeds from the rental or sale of a mailing list that complies with the provisions of proposed section 110.21 be reported as ''other receipts.''

G. 11 CFR 110.21(f)—Recordkeeping

Proposed 11 CFR 110.21(f) would set forth the recordkeeping requirements associated with the sale or rental of a political committee's mailing list. Proposed paragraph (f)(1) would require that political committees maintain and make available the sales or rental agreements. These agreements must be signed and dated. Proposed paragraph (f)(2) would require documentation of the usual and normal charge for a political committee's mailing list. For a mailing list that is listed in the *SRDS Direct Marketing List Source,* the political committee would need to retain a copy of the price list for its mailing list in the *SRDS Direct Marketing List Source* under propose paragraph (f)(2)(A). For a mailing list that is not listed in the *SRDS Direct Marketing List Source,* the political committee would need to obtain a written appraisal from an independent entity. The Commission seeks comment on whether a written appraisal from an independent entity is the appropriate documentation of the usual and normal charge when a mailing list is not in the *SRDS Direct Marketing List Source.* Are there other ways to document the usual and normal charge? Should the rules include more specific requirements regarding the independent entities, such as that they are in the business of appraising the fair market value of mailing lists? Do such entities exist?

H. Other Issues

1. Allocation of Rental Proceeds

The Commission notes that in some cases a political committee's mailing list may be developed with non-Federal, as well as Federal funds, and that, under the proposed rule, the entire amount received from the rental or sale of the list may be deposited in the Federal account without being subject to the amount limitations and source

prohibitions of the Act. The Commission seeks comment on whether proposed 11 CFR 110.21 should specify that only some allocable portion of the rental proceeds, rather than all of the rental proceeds, may be deposited and retained in the committee's Federal account, and that the remainder should be deposited in the non-Federal account, provided that the political committee is permitted to have a non-Federal account under 11 CFR 106.6, 106.7 or part 300.

One possible allocation rule is that the Federal account may only accept and use the portion of the proceeds that reflects the Federal portion of the committee's cost in developing the list. Another possibility is that the Federal account may only accept and use the amounts corresponding to the Federal share of administrative expenses applicable to the political committee under 11 CFR 106.6(c) or 106.7(d)(2). This approach recognizes that the list's development may have been paid for as allocable administrative expenses. If such splitting of the deposit of the rent proceeds is required, comment is also sought on whether national party committees would be allowed to retain the entire amount of proceeds from the rental of lists developed with mixed funds prior to the effective date of the Bipartisan Campaign Reform Act of 2002 (''BCRA''), Pub. L. 107–155 (Mar. 27, 2002), in view of the fact that under BCRA they only have accounts with Federal funds.

2. Scope of Proposed Mailing List Rules

The proposed new rules in 11 CFR 110.21 would apply in the same manner to both authorized and unauthorized committees, *i.e.*, party committees, multicandidate committees, and other kinds of political committees. Nevertheless, the Commission seeks comments as to whether there are material distinctions between different types of political committees that should be reflected in the new mailing list provisions.

II. Proposed 11 CFR 110.22 Committee Exchange of Mailing Lists

A. Background

The Commission has, in its advisory opinions, addressed list exchanges by political committees with other organizations and has concluded that where the exchange is for equal value, a contribution is not made to the political committee. AOs 1982–41 and 1981–46; *see also* AOs 2003–16 and 2002–14. Such exchanges allow each organization or political committee to seek new potential donors, and often allow each organization to add the names of individuals from the other mailing list to its own list where those individuals responded to that organization's solicitation. AO 1981–46 noted variations of equal exchange that went beyond ''a direct exchange of the same number of names.'' In some cases, one organization may use fewer names more times, or the exchange may involve different numbers of names where the names on one mailing list may have a different market value than the names on the other list, or other variations dependent upon the frequency of use or the value of the names.

B. 11 CFR 110.22(a)—Exchanges of Equal Value

Proposed 11 CFR 110.22 would describe the conditions under which a political committee may exchange its mailing list with another organization without receiving a contribution, donation, or other reportable receipt. Proposed paragraph (a) would follow, in some respects, the proposed rules on mailing list rental and sale regarding the period of time and number of uses of the mailing list. It would treat the exchange as neither a contribution nor a reportable receipt if: (1) The usual and normal charge for the mailing list and the services ordinarily provided in the list exchange is ascertained in advance; (2) the mailing lists involved in the exchange are of equal value, as discussed below; and (3) the actual exchange is a *bona fide* arm's length transaction with commercially reasonable terms. For the reasons discussed above, there would also be a rebuttable presumption that the exchange is not of equal value if the parties do not engage in a *bona fide* arm's length transaction. ''Equal value'' would be defined in proposed paragraph (a)(3)(i) in terms of the usual and normal rental value of each organization's or political committee's mailing list, or list portion being exchanged, as well as the agreed upon use by the organization, and the services provided. Proposed paragraph (a)(3)(ii) would also address the timing of the use of the exchanged lists, including delayed use if provided for in the agreement.

The Commission seeks comment on whether, and under what circumstances, multiple uses of a mailing list would be commercially reasonable; when delayed use would be reasonable; and whether the rule should address delayed use. Comment is also sought on how to determine the usual and normal charge, and whether the proposed rule should affirmatively mandate that the mailing lists be used in a manner consistent with the list exchange agreement. The Commission also seeks comment on whether the proposed rule should require that each party to the exchange establish the fair market value of its own list in advance in order to avoid treating the transaction as entailing an in-kind contribution. The Commission also seeks comment on whether the presence of a ''*bona fide* arm's length transaction'' should be required, particularly if it has been otherwise established that the exchange of the mailing lists is an exchange of equal value. Moreover, can the requirement of a ''*bona fide* arm's length transaction'' be satisfied even if campaign committees of the same candidate, or party committees of the same political party, rent mailing lists from each other or if a candidate's authorized committee rents a mailing list from an unauthorized committee such as a leadership PAC?

The Commission also seeks comment on whether the political committee's ability to use the names on the other organization's mailing list to solicit contributions to the Federal account is affected by whether funds from the committee's non-Federal account were used to develop the committee list. (*See* the discussion above on allocation in proposed 11 CFR 110.21.)

Another issue raised previously with respect to the sale of mailing lists may more appropriately relate to the exchange of lists. Specifically, the Commission seeks comment on whether it is usual and customary in the commercial list marketplace for one entity to provide raw list data to another entity that updates and enhances the data and where both entities consequently have access to the list. If so, comment is sought as to whether such a transaction is a commercially reasonable exchange of equal value that would not be treated as an in-kind contribution.

C. 11 CFR 110.22(b)—Exchanges of Unequal Value

Proposed 11 CFR 110.22(b) would address an exchange of mailing lists that does not comply with proposed paragraph (a). Where the value of the mailing list provided by the other person exceeds the value of the political committee's mailing list, only the excess amount is a contribution. This is in contrast to proposed 11 CFR 110.21(c), where the entire amount is a contribution. Also, while proposed 11 CFR 110.21 would treat a sale or rental of a mailing list at a charge that is greater than the usual or normal charge as a fundraising activity that is subject

to 11 CFR 100.53, proposed section 110.22(b) would treat the exchange of mailing lists of unequal value as a good or service that is provided at less than the usual and normal charge under 11 CFR 100.52(d)(1). Consequently, the difference in value between the two mailing lists exchanged would be an in-kind contribution. 11 CFR 100.52(d)(1). The Commission seeks comment on whether this characterization of the exchange of mailing lists of unequal value as an in-kind contribution is appropriate.

III. Proposed 11 CFR 113.2(d) Conversion of Committee's Mailing List to Personal Use

Both 2 U.S.C. 439a, and the Commission's regulations at 11 CFR part 113, bar candidates and other persons from converting to personal use any contributions or donations. This ban is not limited to monetary contributions. Consequently, the Commission has interpreted the personal use ban to apply to assets of the principal or authorized campaign committee, as well as the actual funds in the committee accounts. *See* AOs 1994–20, 1990–11, 1984–50, and 1981–11; *see also* 11 CFR 102.3(a)(2) and 113.2(e)(1)(ii). These assets may have been purchased through the use of funds from contributions or may have been donated to the authorized committee during the campaign. One of the principal assets of a political committee is its mailing list because it is vital to the committee's ability to solicit funds.

On some occasions, particularly after the end of his or her campaign, a candidate may wish to market the mailing list for the rental of names to other organizations and may wish to receive rental proceeds personally. These situations may raise questions as to whether the candidate has a personal ownership interest in the list. The candidate's receipt of proceeds from the rental or sale of the mailing list squarely presents the issue of whether the restrictions of 2 U.S.C. 439a apply. Proposed 11 CFR 113.2(d) would address this issue by explicitly banning the conversion to personal use of the mailing list itself, such as by barring a candidate from retaining the proceeds of a mailing list rental or sale.

In the alternative, the Commission seeks comment on whether a candidate's receipt of proceeds from the rental or sale of a mailing list, or portions thereof, could be permissible under 2 U.S.C. 439a. If permissibility were based on a candidate's ownership of a list or a share of the mailing list, how would the candidate obtain such ownership interest? Could a candidate acquire personal ownership, through purchase or other consideration, of a mailing list developed by his or her principal campaign committee? Is the candidate's signature adequate consideration for candidate ownership of the resulting mailing list? Is such ownership interest assumed on some other basis? The Commission seeks comment on whether the determination of ownership of the mailing list should be premised on who or what entity (*i.e.*, the candidate as opposed to the committee) incurred the costs for the development or purchase of the list or the portion of the list being rented or sold. The Commission also seeks comment on whether a candidate may acquire personal ownership of a list in other ways. For example, a candidate may sign a fundraising appeal for an organization other than his or her principal campaign committee and receive the use of responsive names, in compliance with Commission regulations. Should the use of the list be viewed as a property interest of the candidate's principal campaign committee, the candidate personally, or both? How significant to that determination are the terms of an agreement purporting to confer a property interest on the principal campaign committee, the candidate personally, or both?

The Commission also seeks comment on situations where the candidate owns a mailing list. If the authorized committee uses the mailing list, has it accepted a contribution from the candidate? How should the use be valued? Should the valuation be based on the sale or rental price for the mailing list? Additionally, how should this transaction be reported?

IV. Proposed 11 CFR 9004.9(d)(2)(i) and 9034.5(c)(2)(i)—Rental, Sale, and Valuation of Mailing Lists by Publicly Financed Campaigns

The proposed rules at 11 CFR 9004.9(d)(2)(i) and 9034.5(c)(2)(i) would include the mailing lists of an authorized committee of publicly financed presidential candidates as assets on the candidates' statements of net outstanding campaign obligations (''NOCO'') for the primaries and on the candidates' statements of net outstanding qualified campaign expenses (''NOQCE'') for the general election, under certain circumstances. Thus, the proposed rules would recognize a presidential campaign committee's use of its mailing list as an income producing asset and would provide that a committee may only rent or sell the mailing list if the list is included as an asset in the NOCO or NOQCE statements. However, the proposed rules at 11 CFR 9004.9(d)(2)(i) and 9034.5(c)(2)(i) would not require the publicly funded committee to include the list as an asset on the NOCO or NOQCE statements if it does not rent or sell the list.

Since 1976, the Commission has not required as a *per se* matter, the inclusion of a mailing list as an asset in NOCO and NOQCE statements, even though a political committee's mailing list is almost invariably one of the most important assets of a political committee. Some presidential campaign committees have indeed rented their lists, or portions thereof, to other political committees or organizations and therefore have received proceeds, which may show up on a NOCO or NOQCE statement as cash.

The current rules list ''capital assets'' and ''other assets'' as types of assets listed on the NOCO and NOQCE statements. Unlike ''other assets,'' capital assets have special valuation rules accounting for depreciation. A mailing list developed by a political committee is usually a unique asset developed for the special needs of the committee, and the proposed rules would add mailing lists as a special category of assets. The proposed rules would not subject mailing lists to the depreciation rules for ''capital assets.'' The proposed rules at 11 CFR 9004.9(d)(3)(i) and 9034.5(c)(3)(i) explain that the list would be considered an ''other asset;'' therefore, it would be valued at ''fair market value'' without depreciation factored in. The proposed rules would give specific guidance as to the fair market value of a mailing list (discussed below).

As indicated above, the proposed rules in 11 CFR 9004.9(d)(3)(ii) and 9034.5(c)(3)(ii) would specify that the mailing list may be rented or sold only if its fair market value is listed on the NOCO and NOQCE statements. These proposed rules also would require that any such rental or sale be in compliance with the conditions of the proposed rule at 11 CFR 110.21, which describes when a committee may rent or sell a mailing list to others without the proceeds becoming contributions. Transfer of a mailing list from a candidate's primary committee to his or her general election committee would not require the principal campaign committee to include a value for its mailing list on its NOCO statement. However, the donation or transfer of the mailing list to another entity (including the candidate's general election committee, the candidate's general election legal and accounting compliance fund (GELAC) or a leadership PAC) would be

subject to proposed 11 CFR 110.21(c)(2), which would apply 11 CFR 100.52 to such transaction. The Commission also seeks comment on whether donations or transfers that are not sales or rentals should trigger the requirement to include a value for a mailing list on the NOCO or NOQCE statements even if the donation or transfer is to the presidential candidate's GELAC or other authorized committees.

Finally, the proposed rules at 11 CFR 9004.9(d)(3)(iii) and 11 CFR 9034.5(c)(3)(iii) would explain how fair market value would be determined for purposes of the NOCO and NOQCE statements. The proposed rule would allow the presidential campaign committee renting or selling its list to have two choices. For primary candidates, the list would be valued at either: (1) the usual and normal rental revenue that the committee would receive if it rented the list to others over an 18 month period beginning on the date of ineligibility (''DOI''); or (2) the usual and normal sale price at DOI. For general election candidates, the list would be valued at either: (1) the usual and normal rental revenue over the 12-month period beginning on the date of the general election; or (2) the usual and normal sale price as of the date of the election.

Under these proposed rules, Presidential campaign committees would need to estimate the usual and normal rental revenue. This in turn would involve estimates as to how often the committee will rent out the mailing list over the applicable period, as well as the rental value of the list (*e.g.*, $X per 1,000 names). The value may depend upon the rental price of comparable mailing lists and, if comparability is not easily ascertainable, such factors as how recently the names were updated for accurate addresses, how responsive the individuals on the list have been to other similar solicitations (particularly recent solicitations), the income level of the individuals on the list, and the classification according to the list industry or other subject matter. (*See* the discussion above of proposed 11 CFR 110.21(a)(1).) Estimates of the sale price would be based on similar information. The Commission seeks comment on whether the presidential campaign committee should have the burden of establishing the usual and normal rental value and, if so, whether it must establish this value before the mailing list is rented. *See* the request for comments with respect to proposed 11 CFR 110.21.

The proposed rules would provide for a limited time period for the measurement of the rental revenue, *i.e.*, the 18-month and 12-month periods. This recognizes that these campaign committees are in the process of winding down their activities. The 18-month and 12-month periods generally fall within the winding down periods and may very well expire before the end of such periods. Please note that continued or frequent renting out of the mailing list to raise funds beyond what is necessary to pay off debts would be inconsistent with the winding down of campaign activities. The Commission seeks comment on whether mailing list rentals or sales by presidential campaigns should be limited by the amount necessary to pay off the authorized committee's debts.

In the case of either rental or sale, the NOCO and the NOQCE statement would be adjusted subsequently by the actual rental or sale price for the mailing list, similar to the practice of revising those statements to replace estimated winding down costs with actual cost figures. In the case of list rental, the final NOCO or NOQCE statement (which will most likely be filed after the expiration of the 18-month or one year period) would not reflect the anticipated rental figure. Instead, the actual rental proceeds would replace the estimated figure of the value of the mailing list. In the case of a sale, the estimated list sale amount would be replaced with the actual sale proceeds.

The Commission seeks comment on whether the value of mailing lists should be accounted for on the NOCO or NOQCE statements regardless of any subsequent use by the authorized committee. In the alternative, should they not be recognized on NOCO and NOQCE statements under any circumstances? The Commission also seeks comments on the appropriateness of the methods proposed for determining fair market value. Are the proposed 12-month and 18-month time periods for measuring rental value too long? Would they encourage activity by presidential campaign committees that is not consistent with winding down activities? In the alternative, should the time periods be different for some other reason? Should presidential campaigns be permitted to rent or sell their mailing lists regardless of whether such activity is related to winding down the campaign?

The Commission also seeks comment on whether the use of the sale price as of DOI is inappropriate if a list is not updated and is sold many months after DOI. Comment is also sought on what other valuation method should be applied to mailing lists for purposes of the NOCO and NOQCE statements.

Certification of No Effect Pursuant to 5 U.S.C. 605(b)

[Regulatory Flexibility Act]

The attached proposed rules, if promulgated, would not have a significant economic impact on a substantial number of small entities. The basis for this certification is that few, if any, small entities would be affected by these proposals, which apply only to Federal candidates, their campaign committees, party committees, and other political committees. Federal candidates, their committees, and party committees are not small entities under 5 U.S.C. 601 because they are not small businesses, small organizations, or small governmental jurisdictions. These rules are largely intended to adopt past Commission practice by clarifying the application of various provisions of the Act and presidential public financing statutes to mailing list transactions involving political committees and Federal candidates. Because the proposed rules would not significantly change current practice, those few proposals that might increase the cost of compliance by small entities would not do so in such an amount as to cause a significant economic impact.

List of Subjects

11 CFR Part 110

Campaign funds, Political committees and parties.

11 CFR Part 113

Campaign funds.

11 CFR Part 9004

Campaign funds.

11 CFR Part 9034

Campaign funds, Reporting and recordkeeping requirements.

For the reasons set out in the preamble, the Federal Election Commission proposes to amend subchapters A, E, and F of chapter 1 of title 11 of the *Code of Federal Regulations* as follows:

PART 110—CONTRIBUTION AND EXPENDITURE LIMITATIONS AND PROHIBITIONS

1. The authority citation for part 110 would continue to read as follows:

Authority: 2 U.S.C. 431(8), 431(9), 432(c)(2), 437d, 438(a)(8), 441a, 441b, 441d, 441e, 441f, 441g, 441h and 441k.

2. Sections 110.21 and 110.22 would be added to read as follows:

§ 110.21 Committee rental or sale of mailing lists to others.

(a) *Rental of mailing list.* A political committee may rent a mailing list, or portions of such list, that it owns to any other person. Rental payments are not contributions if:

(1) Prior to the rental, the political committee ascertains the usual and normal rental charge for the mailing list (or the portion of the mailing list) rented, and other services provided in the ordinary course of business of the rental of such mailing lists (*e.g.*, labels); and

(2) The mailing list or the portion of the list (along with the services provided in the ordinary course of business) is rented at the usual and normal charge, as defined in 11 CFR 100.52(d)(2), for the agreed upon use of the mailing list, including the frequency and duration of the use, in a *bona fide* arm's length transaction with commercially reasonable terms. If the political committee and the person renting the list do not engage in a *bona fide* arm's length transaction, there is a rebuttable presumption that the exchange is not of equal value. To determine whether the terms of the rental agreement are commercially reasonable, the Commission will consider factors that include, but are not limited to:

(i) Whether the person leasing the mailing list is permitted to use the list within a reasonable period of time only;

(ii) Whether any delayed use by the person leasing the mailing list, provided for in the agreement, is based on reasonable business considerations;

(iii) Whether the agreed upon use by the person leasing the mailing list, including the duration of the rental or number of uses, comports with the usual and normal practice of the list industry and the lessee's established procedures and past practice; and

(iv) Whether the person leasing the mailing list actually uses the list.

(b) *Sale of mailing list.* A political committee may sell a mailing list, or portions of a mailing list, that it owns to any other person. Proceeds from the sale are not contributions if prior to the sale, the political committee ascertains the usual and normal charge for the sale of the mailing list, and sells the mailing list at the usual and normal charge, as defined in 11 CFR 100.52(d)(2), in a *bona fide* arm's length transaction with commercially reasonable terms. If the political committee and the person buying the list do not engage in a *bona fide* arm's length transaction, there is a rebuttable presumption that the exchange is not of equal value.

(c) *Rental or sale proceeds as contributions.* (1) Except as provided in paragraph (c)(2) of this section, a sale or rental of a mailing list that does not comply with the conditions set forth in paragraphs (a) or (b) of this section is a fundraising item under 11 CFR 100.53 and all proceeds from such sale or rental are contributions from the person buying or renting the mailing list to the political committee in their full amount.

(2) For the donation or transfer of mailing lists or the sale or rental of mailing lists at less than the usual and normal charge, *see* 11 CFR 100.52.

(d) *Rental or sale to the candidate.* If a candidate rents or buys a mailing list from his or her authorized committee, the amount paid by the candidate is a contribution to the authorized committee.

(e) *Reporting of proceeds.* The proceeds from the rental or sale of a mailing list that complies with the conditions set forth in paragraphs (a) or (b) of this section must be reported as ''other receipts.''

(f) *Recordkeeping.* A political committee shall maintain and make available upon request the documentation described in paragraph (f)(1) and (2) of this section.

(1) All sales and rental agreements or contracts of its mailing list(s). The agreements must be signed and dated.

(2) Documentation of the usual or normal charge for its mailing lists in the following manner:

(i) If its mailing list is included in the *SRDS Direct Marketing List Source,* a copy of the price list in the *SRDS Direct Marketing List Source;* or

(ii) If its mailing list is not included in the *SRDS Direct Marketing List Source,* a written appraisal of the mailing list from an independent entity that is not directly or indirectly associated with the political committee (including subcontractors of such entities).

§ 110.22 Committee exchange of mailing lists.

(a) *Exchange of equal value.* A political committee may exchange the use of a mailing list or portions of a mailing list with another person for a specific period of time or a specific number of uses. The exchange is not a contribution, donation, or other reportable receipt to the political committee if:

(1) The political committee ascertains in advance the usual and normal charge for the mailing lists, or the portions of the mailing lists, being exchanged and other services provided in the ordinary course of business for the exchange of the mailing lists (*e.g.*, labels); and

(2) The exchange of the mailing lists is a *bona fide* arm's length transaction with commercially reasonable terms that results in an exchange of equal value between the political committee and the other person. If the political committee and the other person in the exchange do not engage in a *bona fide* arm's length transaction, there is a rebuttable presumption that the exchange is not of equal value.

(3) An exchange of equal value takes place when:

(i) The usual and normal rental value for each mailing list, or portion of the mailing list being exchanged, and the agreed upon use for each mailing list, and the services provided in the ordinary course of business are of equal value; and

(ii) The agreement between the political committee and the other person provides that they each use the mailing list they receive within a commercially reasonable period of time. If the agreement provides for a future use by the political committee or the other person, the delay in the use of the mailing list must be based upon reasonable business considerations.

(b) *Exchange of unequal value.* An exchange of mailing lists that does not comply with the conditions set forth in paragraph (a) of this section is a contribution to the extent that the value provided by the other person exceeds the value provided by the political committee.

PART 113—USE OF CAMPAIGN ACCOUNTS FOR NON-CAMPAIGN PURPOSES (2 U.S.C. 439a)

3. The authority citation for part 113 would continue to read as follows:

Authority: 2 U.S.C. 432(h), 438(a)(8), 439a, and 441a.

4. In § 113.2, paragraph (d) would be added to read as follows:

§ 113.2 Permissible non-campaign uses of funds (2 U.S.C. 439a).

* * * * *

(d) *Conversion of committee's mailing list to personal use.* The mailing list of a principal campaign committee or authorized committee of a candidate, or any proceeds from the rental or sale of any names on the mailing list, may not be converted to the personal use of the candidate or any other person.

* * * * *

PART 9004—ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS; USE OF PAYMENTS

5. The authority citation for part 9004 would continue to read as follows:

Authority: 26 U.S.C. 9004 and 9009(b).

6. In § 9004.9, new paragraph (d)(3) would be added to read as follows:

§ 9004.9 Net outstanding qualified campaign expenses

* * * * *

(d) * * *

(3) *Mailing lists.* (i) The term *other asset,* as defined in paragraph (d)(2) of this section, includes an authorized committee's mailing list if the mailing list is sold or rented under paragraph (d)(3)(ii) of this section.

(ii) An authorized committee may sell or rent its mailing list only if—

(A) The fair market value of the mailing list is included on the candidate's statement of net outstanding qualified campaign expenses; and

(B) The sale or rental of the mailing list complies with 11 CFR 110.21.

(iii) The fair market value of an authorized committee's mailing list is either:

(A) The usual and normal rental revenue that the authorized committee would receive if it rented the list to others over the 12-month period beginning on the date of the general election; or

(B) The usual and normal sale price for the list as of the date of the general election.

* * * * *

PART 9034—ENTITLEMENTS

7. The authority citation for part 9034 would continue to read as follows:

Authority: 26 U.S.C. 9034 and 9039(b).

8. In section 9034.5, new paragraph (c)(3) would be added to read as follows:

§ 9034.5 Net outstanding campaign obligations.

* * * * *

(c) * * *

(3) *Mailing lists.* (i) The term *other asset,* as defined in paragraph (c)(2) of this section, includes an authorized committee's mailing list if the mailing list is sold or rented under paragraph (c)(3)(ii) of this section.

(ii) An authorized committee may sell or rent its mailing list only if—

(A) The fair market value of the mailing list is included on the candidate's statement of net outstanding campaign obligations; and

(B) The sale or rental of the mailing list complies with 11 CFR 110.21.

(iii) The fair market value of an authorized committee's mailing list is either:

(A) The usual and normal rental revenue that the authorized committee would receive if it rented the list to others over the 18-month period beginning on the date of ineligibility; or

(B) The usual and normal sale price for the list as of the date of ineligibility.

* * * * *

Dated: August 29, 2003.

Ellen L. Weintraub,

Chair, Federal Election Commission.

[FR Doc. 03–22530 Filed 9–3–03; 8:45 am]

BILLING CODE 6715–01–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 2002–NM–238–AD]

RIN 2120–AA64

Airworthiness Directives; Boeing Model 737–200 Series Airplanes Modified by Supplemental Type Certificate ST00516AT

AGENCY: Federal Aviation Administration, DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes the adoption of a new airworthiness directive (AD) that is applicable to all Boeing Model 737–200 series airplanes modified by Supplemental Type Certificate ST00516AT (STC). This proposal would require removal of the in-flight entertainment (IFE) system installed per that STC. This action is necessary to eliminate the possibility that the airplane crew could be unable to remove power from the IFE system during a non-normal or emergency situation, which could result in the airplane crew's inability to control smoke or fumes in the airplane flight deck or cabin. This action is intended to address the identified unsafe condition.

DATES: Comments must be received by October 20, 2003.

ADDRESSES: Submit comments in triplicate to the Federal Aviation Administration (FAA), Transport Airplane Directorate, ANM–114, Attention: Rules Docket No. 2002–NM–238–AD, 1601 Lind Avenue, SW., Renton, Washington 98055–4056. Comments may be inspected at this location between 9 a.m. and 3 p.m., Monday through Friday, except Federal holidays. Comments may be submitted via fax to (425) 227–1232. Comments may also be sent via the Internet using the following address: *9-anm-nprmcomment@faa.gov.* Comments sent via fax or the Internet must contain ''Docket No. 2002–NM–238–AD'' in the subject line and need not be submitted in triplicate. Comments sent via the Internet as attached electronic files must be formatted in Microsoft Word 97 or 2000 or ASCII text.

The service information referenced in the proposed rule may be obtained from Kosola and Associates, Inc., 5601 Newton Road, P.O. Box 3529, Albany, Georgia 31706. This information may be examined at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the FAA, Atlanta Aircraft Certification Office, One Crown Center, 1895 Phoenix Boulevard, suite 450, Atlanta, Georgia.

FOR FURTHER INFORMATION CONTACT: Myles Jalalian, Aerospace Engineer, Systems and Flight Test Branch, ACE–116A, FAA, Atlanta Aircraft Certification Office, One Crown Center, 1895 Phoenix Boulevard, suite 450, Atlanta, Georgia 30349; telephone (770) 703–6073; fax (770) 703–6097.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications shall identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this action may be changed in light of the comments received.

Submit comments using the following format:

- Organize comments issue-by-issue. For example, discuss a request to change the compliance time and a request to change the service bulletin reference as two separate issues.
- For each issue, state what specific change to the proposed AD is being requested.
- Include justification (*e.g.*, reasons or data) for each request.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this action must submit a self-addressed, stamped postcard on which the following