

[Docket No. 10663, Amdt. 198-1]

PART 198—WAR RISK INSURANCE

Increase in Binding Fees

The purpose of these amendments to Part 198 of the Federal Aviation Regulations is to increase the amounts of binding fees for hull and liability war risk insurance issued pursuant to title XIII of the Federal Aviation Act of 1958 (49 U.S.C. 1531-1542).

In view of the experience of the FAA to date and future forecasts, the binding fees provided for in Part 198 (established in 1953) are not sufficient to keep the war risk insurance program completely on a self-sustaining basis as contemplated. The revenues from the binding fees for the fiscal year 1968 through 1970 have consistently and significantly fallen short of meeting the administrative expenses.

Accordingly, these amendments increase the binding fee per aircraft for war risk hull or war risk liability (exclusive of cargo liability) insurance from \$100 to \$200, and for war risk carriers liability to cargo insurance from \$25 to \$50. It is anticipated that these binding fees, as increased, will place the program on a self-sustaining basis.

Since these amendments relate to agency management, procedures, and practices, notice and public procedure thereon are not required, and they may be made effective in less than 30 days.

In consideration of the foregoing, Part 198 of the Federal Aviation Regulations is amended as follows, effective November 4, 1970:

1. By striking out the figure "\$100.00" wherever it occurs in §§ 198.102 and 198.202, and in paragraphs (a), (b), and (c) of Appendix A, and substituting the figure "\$200.00" therefor.

2. By striking out the figure "\$25.00" wherever it occurs in § 198.302, and in paragraphs (a) and (b) of Appendix E, and substituting the figure "\$50.00" therefor.

(Sec. 1307(a), Federal Aviation Act of 1958; 49 U.S.C. 1537(a); sec. 6(a)(3)(C), Department of Transportation Act; 49 U.S.C. 1655 (a)(3)(C); sec. 1.47(b), Regulations of the Office of the Secretary of Transportation, 49 CFR 1.47(b))

Issued in Washington, D.C., on October 28, 1970.

J. H. SHAFFER,
Administrator.

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8:48 a.m.]