entity in effect on May 8, 1985. Since the publication of the proposal, the Department has received a number of submissions from interested persons expressing concern about the practical consequences of this provision. Specifically, the commentators asserted that the May 8, 1985 expiration date for the transitional rule will cause undue hardship because it would not allow enough time for persons who wish to take advantage of that rule to complete offerings in entities that might be affected by the proposed regulation. In addition, several persons have expressed concern that limiting the applicability of the transitional rule to investments in entities existing on January 4, 1985 will be unfair in cases where a great deal of preparation has been made to offer interests in an entity, but where the entity itself had not actually been established before January 4, 1985.

The proposed transitional rule was intended to allow a reasonable period for persons who seek to take advantage of that rule to wind up existing offerings to plans. Based on the submissions to the Department, it appears that the 120 day period provided for in the January 8, 1985 proposal will not be sufficient to accomplish this. Thus, the Department has decided to modify the transitional rule.

As modified, the proposed transitional rule will expire on June 30, 1986, and will be available to an entity in existence of that date. The Department continues to believe that a fixed expiration date will allow persons who may be affected by the regulation to make more informed decisions regarding plan assets issues. In addition, the modified expiration date should provide interested persons ample time to complete pending and anticipated offerings. Further, the Department contemplates issuance of a final regulation before the new expiration date; this will allow interested persons to take into account any differences between the proposed rule and the final rule before making a decision whether to take advantage of the transitional rule.

The Department also has received a number of informal inquiries as to the kinds of plans which are to be taken into account in applying the transitional rule. In this respect, the Department intends that all of the plans that would be affected by the proposed plan assets regulation (if it is adopted) should be taken into account for purposes of the transitional rule. This includes not only plans that are subject to Title I of ERISA, but also plans subject to section 4975 of the Code (including individual retirement accounts and certain qualified plans that are not subject to Title I of ERISA). The transitional rule has also been modified to make this clear.

Finally, many of the submissions made to the Department raised issues regarding various substantive provisions of the proposed regulation. These comments will be considered by the Department together with the other comments received in response to the notice of proposed regulation that was published on January 8, 1985.

Regulatory Flexibility Act, Executive Order 12291 and Paperwork Reduction Act

Information on these topics is set forth in the Supplementary Information accompanying the January 8, 1985 proposal (50 FR 961, 969).

Statutory Authority

Section 505 of ERISA (Pub. L. 93-406, 88 Stat. 894; 29 U.S.C. 1135) and section 102 of Reorganization Plan No. 4 of 1978 (43 FR 47713, October 17, 1978), effective December 31, 1978 (44 FR 1065, January 3, 1979); 3 CFR 1978 Comp. 332.

List of Subjects in 29 CFR Part 2510

Employee benefit plans, Employee Retirement Income Security Act, Pensions.

Amendment to Proposed Regulation

Chapter XXV, Title 29 of the Code of Federal Regulations is proposed to be amended as follows:

PART 2510—[AMENDED]

In Part 2510, paragraph (i) of proposed § 2510.3-101 (50 FR 961, January 8, 1985) is revised to read as follows:

§ 2510.3-101 Definition of "plan assets"—plan investments.

* * * * *

(i) *Effective date and transitional rules.* This section is effective for purposes of identifying the assets of a plan on or after [90 days after publication of a final rule]. However, this section shall not apply to investments in an entity in existence on June 30, 1986 if no employee benefit plan subject to Title I of the Act or plan described in section 4975(e)(1) of the Code (other than a plan described in section 4975(g)(2) or 4975(g)(3)) acquires an interest in the entity from an issuer or underwriter at any time after June 30, 1986, except pursuant to a binding contract, in effect on June 30, 1986, with an issuer or underwriter to acquire an interest in the entity.

Signed at Washington, D.C., this 12th day of February, 1985.

Alan D. Lebowitz,

Acting Administrator, Office of Pension and Welfare Benefit Programs, Department of Labor.

[FR Doc. 85-3943 Filed 2-14-85; 8:45 am]

BILLING CODE 4510-29-M

DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Ch. II

Request for Comments on a Proposal To Require the Direct Payment of Rents and Royalties by the Payor(s) to Interest Holders of Producing Oil and Gas Leases Located on Indian Allotted Lands

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Request for comments.

SUMMARY: The Department of the Interior is considering a proposal that would require all payors of advance rents and royalties for producing oil and gas leases on Indian allotted lands to send payments directly to the Indian lease holders (allottees), their heirs, or to a designated agent. At present, MMS collects these payments together with a monthly royalty report. After the payment and report are processed, the information is forwarded for each lease to the Bureau of Indian Affairs (BIA). The BIA then distributes the payments to the Indian allottee who owns the mineral interest.

It has been suggested that requiring the payor to make payments directly to each Indian allottee or heir could expedite the payment process so that the Indian lease holder receives the payment sooner than is possible under the current system. Direct payment would accomplish this because it would remove MMS and BIA from the process. Some Indian allottee lease holders have been receiving payments directly from payors for some period of time. The Department wishes to receive comments both from individuals and companies who currently send advance rents and royalties for Indian allottees to the MMS and from those individuals and companies who pay allottees directly. Topics for which specific comments are requested are described in the supplementary information section which follows.

DATES: Written comments and recommendations must be received on or before April 1, 1985.

ADDRESS: Written comments should be mailed or delivered to: Mr. Orie L. Kelm, Chief, Office of Royalty Regulations, Development and Review, Royalty Management Program, Minerals Management Service, 12203 Sunrise Valley Drive, MS 660, Reston, Virginia 22091.

FOR FURTHER INFORMATION CONTACT: Mr. Anthony Gallagher, (703) 860-7311 or (FTS) 928-7311.

SUPPLEMENTARY INFORMATION: Most companies with oil and gas rights on producing Indian leases make their royalty and advance rental payments to MMS. Some companies however, pay rents and royalties directly to Indian allottees.

The Department has received criticism that MMS and BIA are not handling the payments to the Indian lease owners in either a timely or accurate manner. However, the Department rarely receives unfavorable comments about the timeliness and accuracy of the payments made directly by private companies to the Indian allottees.

In order to fulfill its trust responsibilities to the Indian allottees, the Department is examining alternatives to the existing systems and procedures for collection and distribution of allottee rents and royalties. One alternative may be a system of direct payment from payors to allottee lessors for all allotted leases.

Under a direct payment system the Department would require each payor to send the royalty check directly to the allottee with appropriate information supporting the payment. Each company would maintain a file of allottee names, addresses, and ownership interests which would be updated as required. Changes in allottee status would be furnished either by the BIA or directly by the Indian lease holder.

To evaluate this alternative the Department would like to receive pertinent information, suggestions, and comments from the firms presently making payments either to MMS or directly to allottees. To systematically analyze and evaluate the responses it is requested that responses follow the format described below:

1. Describe your lease universe in terms of the approximate numbers of Federal, Indian, and other leases, breaking down the Indian lease category into: (1) Tribal, (2) allottee, paid through MMS, (3) allottee, paid direct.

2. Describe with sufficient detail your company's existing royalty/rental payment and reporting process by answering the following: (a) Are there different systems involved in the payment and reporting process such as Accounting, Division of Interest, or the like? (b) Are the systems automated? (c) Are the systems integrated? (d) In what way and how frequently are data bases of each system updated? (e) What is the source of the information for the update? (f) How frequently are royalty payments made?

3. Describe the information regularly given to each allottee lease holder, either at the time of payment or later, which relates to the computation of the royalty payment such as: lease identification, well identification, product description, production volume, sales volume, unit price and the like.

If your company is presently making direct payments on Indian allotted lands:

4. Summarize company policy concerning the following issues: (a) Is interest paid to an allottee if the royalty payment is late? (b) Is there a floor below which payments are deferred? (c) How are payment adjustments handled in subsequent months? (d) How are allottee inquiries or complaints handled by your company? (e) How are undelivered royalty checks handled?

5. Explain how the conversion from the present payment system to a direct payment system for Indian allottees would affect your company. How long would it take your firm to implement the direct payment system? Estimate the cost to your firm of a direct payment conversion.

In addition to these specific questions, comments are solicited on any other topic or issue relevant to this proposal. MMS also plans to contact about 20 companies who pay royalties to Indian allottees to make a more detailed inquiry or examination of the operational and financial systems involved. MMS would be interested in hearing from any company that would like to be included in this sample.

Dated: February 8, 1985.

William D. Bettenberg,

Director, Mineral Management Service.

[FR Doc. 85-3865 Filed 2-14-85; 8:45 am]

BILLING CODE 4310-MR-M

Office of Surface Mining Reclamation and Enforcement

30 CFR Part 914

Permanent State Regulatory Program of Indiana

AGENCY: Office of Surface Mining Reclamation and Enforcement (OSM), Interior.

ACTION: Proposed rule.

SUMMARY: OSM is seeking comment on Indiana's request to further extend the deadline for Indiana to promulgate and submit rules governing the training, examination and certification of blasters. On March 6, 1984, Indiana requested an extension of time for the development of a blaster certification program. On May 14, 1984, OSM announced its decision to extend Indiana's deadline to March 4, 1985 (49 FR 20285). On January 10, 1985, Indiana requested an additional six-month extension to submit a blaster training program and examination. All States with regulatory programs approved under the Surface Mining Control and Reclamation Act of 1977 (SMCRA or the Act) are required to develop and adopt a blaster certification program by March 4, 1991. Section 850.12(b) of OSM's regulation provides that the Director, OSM, may approve an extension of time for a State to develop and adopt a program upon a demonstration of good cause.

DATE: Comments not received by March 18, 1985 the address below, will not necessarily be considered.

ADDRESSES: Written comments should be mailed or hand delivered to Mr. Richard D. McNabb, Field Office Director, Indianapolis Field Office, Office of Surface Mining, Federal Building and U.S. Courthouse, Room 522, 46 East Ohio Street, Indianapolis, Indiana 46204.

FOR FURTHER INFORMATION CONTACT: Mr. Richard D. McNabb, Field Office Director, Indianapolis Field Office, Office of Surface Mining, Federal Building and U.S. Courthouse, Room 522, 46 East Ohio Street, Indianapolis, Indiana 46204; Telephone: (317) 269-2600.

SUPPLEMENTARY INFORMATION: On March 4, 1983, OSM issued final rules effective April 14, 1983, establishing the Federal standards for the training and certification of blasters at 30 CFR Chapter M (48 FR 9486). Section 850.12 of these regulations stipulates that the regulatory authority in each State with an approved program under SMCRA shall develop and adopt a program to examine and certify all persons who are directly responsible for the use of explosives in a surface coal mining operation within 12 months after approval of a State program or within 12 months after publication date of OSM's rule at 30 CFR Part 850, whichever is later. In the case of Indiana's program, the applicable date is 12 months after publication date of OSM's rule, or March 4, 1984.