

1995. It would not result in costs of \$100 million or more to either State, local, or tribal governments, in the aggregate, or to the private sector. Accordingly, neither a written assessment of its costs, benefits, and other effects nor a consideration of regulatory alternatives is required.

Paperwork Reduction Act

The requirement relating to this action, that each State must submit certain documents to receive Section 402 grant funds, is considered to be an information collection requirement, as that term is defined by OMB. This information collection requirement has been previously submitted to and approved by OMB, pursuant to the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*). The requirement has been approved through September 30, 2001; OMB Control No. 2127-0003.

National Environmental Policy Act

We have reviewed this action for the purpose of compliance with the National Environmental Policy Act (42 U.S.C. 4321 *et seq.*), and have determined that it will not have a significant effect on the human environment.

Regulation Identifier Number

The Department of Transportation assigns a regulation identifier number (RIN) to each regulatory action listed in the Unified Agenda of Federal Regulations. The Regulatory Information Service Center publishes the Unified Agenda in April and October of each year. You may use the RIN contained in the heading at the beginning of this document to find this action in the Unified Agenda.

List of Subjects in 23 CFR Parts 1200 and 1205

Grant programs—transportation, Highway safety.

Accordingly, the interim final rule amending part 1205 of title 23 of the Code of Federal Regulations, published at 62 FR 34397, June 26, 1997, is adopted as final without change and the interim final rule amending part 1200 of title 23 of the Code of Federal Regulations, published at 62 FR 34397, June 26, 1997, is adopted as final with the following changes:

1. The authority citation for part 1200 continues to read as follows:

Authority: 23 U.S.C. 402; delegations of authority at 49 CFR 1.48 and 1.50.

2. In § 1200.10, paragraphs (b) and (d) are revised to read as follows:

§ 1200.10 Application.

* * * * *

(b) A Highway Safety Plan, approved by the Governor's Representative for Highway Safety, describing the projects and activities the State plans to implement to reach the goals identified in the Performance Plan. The Highway Safety Plan must, at a minimum, describe one year of Section 402 program activities (and may include activities funded from other sources, so long as the source of funding is clearly distinguished).

* * * * *

(d) A Program Cost Summary (HS Form 217 or its electronic equivalent), completed to reflect the State's proposed allocations of funds (including carry-forward funds) by program area, based on the goals identified in the Performance Plan and the projects and activities identified in the Highway Safety Plan. The funding level used shall be an estimate of available funding for the upcoming fiscal year.

* * * * *

3. In § 1200.13, paragraph (b) is revised to read as follows:

§ 1200.13 Approval

* * * * *

(b) The approval letter identified in paragraph (a) of this section will contain the following statement:

We have reviewed (STATE)'s _____ fiscal year 19__ Performance Plan, Highway Safety Plan, Certification Statement, and Cost Summary (HS Form 217), as received on (DATE) _____. Based on these submissions, we find your State's highway safety program to be in compliance with the requirements of the Section 402 program. This determination does not constitute an obligation of Federal funds for the fiscal year identified above or an authorization to incur costs against those funds. The obligation of Section 402 program funds will be effected in writing by the NHTSA Administrator at the commencement of the fiscal year identified above. However, Federal funds reprogrammed from the prior-year Highway Safety Program (carry-forward funds) will be available for immediate use by the State on October 1. Reimbursement will be contingent upon the submission of an updated HS Form 217 (or its electronic equivalent), consistent with the requirements of 23 CFR 1200.14(d), within 30 days after either the beginning of the fiscal year identified above or the date of this letter, whichever is later.

* * * * *

4. In § 1200.33, paragraphs (a) and (b) are revised to read as follows:

§ 1200.33 Annual Report.

* * * * *

(a) The State's progress in meeting its highway safety goals, using performance measures identified in the Performance

Plan. Both Baseline and most current level of performance under each measure will be given for each goal.

(b) How the projects and activities funded during the fiscal year contributed to meeting the State's highway safety goals. Where data becomes available, a State should report progress from prior year projects that have contributed to meeting current State highway safety goals.

§§ 1200.14 and 1200.22 [Amended]

In addition to the amendments set forth above, in 23 CFR part 1200, remove the words "HS Form 217" and add, in their place, the words "HS Form 217 (or its electronic equivalent)" in the following places:

- (a) Section 1200.14(d)(1) and (d)(2); and
- (b) Section 1200.22.

Issued on: July 23, 1999.

Kenneth R. Wykle,
Administrator, Federal Highway Administration.

Ricardo Martinez,
Administrator, National Highway Traffic Safety Administration.

[FR Doc. 99-19321 Filed 7-27-99; 8:45 am]
BILLING CODE 4910-59-P

DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Part 256

RIN 1010-AC49

Leasing of Sulphur or Oil and Gas in the Outer Continental Shelf—Bonus Payments With Bids

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Final rule.

SUMMARY: This rule gives MMS the authority to require Federal offshore Outer Continental Shelf (OCS) lands lease bidders to use any single method for submitting 1/5 bonus payments with OCS bids.

EFFECTIVE DATE: The rule is effective August 27, 1999.

FOR FURTHER INFORMATION CONTACT: Jan Arbegast, Program Analyst, at (703) 787-1227.

SUPPLEMENTARY INFORMATION: On March 31, 1999, we published a Notice of Proposed Rulemaking (64 FR 15320), titled "Leasing of Sulphur or Oil and Gas in the Outer Continental Shelf—Bonus Payments with Bids," revising 30 CFR 256.46(b). Our 30-day comment period closed on April 30, 1999. We received four comments. This final rule

amends the regulation at 30 CFR 256.46(b).

Since the mid-1950s, the Federal Government has received bonus bid payments to acquire leases offered at OCS lease sales. Prospective bidders submit the required $\frac{1}{5}$ bonus payment in the form of a check or bank draft, which accompanies a sealed bid on a specific offshore tract of submerged land. Since August 1997, we have offered prospective bidders the option of using electronic funds transfer (EFT) to submit their $\frac{1}{5}$ bonus payment rather than a check or bank draft. As technology has progressed and as banking transactions become routinely automated, we need to have in place a rule that allows us to require automated payment such as EFT or other methods that may be more efficient. This revision allows flexibility so that we can require the specific method of bonus payment that is most efficient and administratively advantageous to the Government and industry.

Comments on the Rule

We received comments from Pogo Producing Company, Murphy Exploration & Production Company, Texaco Exploration and Production, Inc., and the American Petroleum Institute. Generally, those who commented favored EFT as a method of submitting the $\frac{1}{5}$ bonus bid amount.

Comments and Responses to Issues

- *Comment:* Concerning timing of the $\frac{1}{5}$ bonus payment, prefer payment by the apparent high bidder on the day following the sale (as currently done) rather than a prepayment on or before the day of the sale.

Response: At this time, we have no plans to change the timing of the EFT bonus payment.

- *Comment:* The mandated use of EFT could cause problems for some companies under some circumstances. Request that MMS maintain highest level of confidentiality of bids and address any potential transmission and receipt problems.

Response: Regarding confidentiality, the bid submission process has not changed. The EFT transaction is completed only after public bid opening. A bidder needs only to complete one EFT transaction for all of its high bids instead of submitting separate cashier's checks for each bid. For a few companies, there may be initial start-up costs and problems, but the benefit to the Government and long-term benefit to the bidder outweigh any initial problems. We have used EFT as an optional method of bid submission in the last four Gulf of Mexico (GOM) OCS

lease sales (since August 1997). Companies of various sizes have bid via EFT. The EFT transaction system has worked very efficiently with administrative savings for both bidders and the Government. In the two most recent GOM lease sales, over 90 percent of the $\frac{1}{5}$ high bonus bid amounts were transmitted via EFT. The MMS continues to treat all submitted bids with appropriate security and will continue to assist bidders who experience any transmission problems.

- *Comment:* Because all companies may not find EFT convenient or always possible, EFT should remain an option for such payments.

Response: The final rule gives MMS the flexibility to specify the method of payment for bonus bids in the notice of sale. The MMS will carefully monitor each sale and will determine which method(s) of payment for bid submission is most advantageous to both the Government and industry for that particular sale. In certain circumstances, having EFT as a $\frac{1}{5}$ bonus bid submission option may be desirable. However, maintaining EFT $\frac{1}{5}$ bonus bid submission as an optional form of payment negates much of the administrative savings to the Government since a separate process and infrastructure must be in place to accept paper transactions. Eliminating this paper transaction process produces most of the cost savings to the Government.

- *Comment:* MMS should codify general guidelines for EFT payments in the regulations rather than publish them in each notice of sale.

Response: The MMS believes that the proposed and final sale notice packages are better vehicles for detailed administrative guidance for submitting bids via EFT or for other bid submission guidance, which may change as technology and business practices evolve.

Procedural Matters

Federalism (Executive Order (E.O.) 12612)

According to E.O. 12612, the rule does not have significant Federalism implications. A Federalism assessment is not required.

Takings Implications Assessment (E.O. 12630)

According to E.O. 12630, the rule does not have significant Takings Implications. A Takings Implication Assessment is not required.

Regulatory Planning and Review (E.O. 12866)

This document is not a significant rule and is not subject to review by the Office of Management and Budget under E.O. 12866.

(1) This rule will not have an effect of \$100 million or more on the economy. It will not adversely affect in a material way the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities.

Ultimately, this rule is administratively advantageous to prospective bidders on the OCS. It will save time and administrative burden in their bid-preparation paperwork process and will also use current technology, improving efficiency both for industry and the Government.

(2) This rule will not create a serious inconsistency or otherwise interfere with an action taken or planned by another agency. Using EFT is common practice in private industry. Through the use of electronic commerce, we reduce the number of transactions required by bidders. A bidder can initiate one EFT transaction for all of its high bids rather than individual checks for each high bid. This does not interfere with other agencies' actions.

(3) This rule does not alter the budgetary effects or entitlements, grants, user fees, or loan programs or the rights or obligations of their recipients. This rule has no effect on these programs or rights of the programs' recipients.

(4) This rule does not raise novel legal or policy issues. As previously stated, the intent of this rule is to give the Government flexibility in requiring a specific form of bonus payment, including EFT. It is commonplace in private industry and creates no novel policy issues.

Civil Justice Reform (E.O. 12988)

According to E.O. 12988, the Office of the Solicitor has determined that this rule does not unduly burden the judicial system and meets the requirements of §§ 3(a) and 3(b)(2) of the Order.

National Environmental Policy Act (NEPA)

This rule does not constitute a major Federal action significantly affecting the quality of the human environment. A detailed statement under the NEPA of 1969 is not required.

Paperwork Reduction Act (PRA) of 1995

This regulation does not require information collection, and a submission under the PRA is not required.

Regulatory Flexibility Act (RFA)

The Department certifies that this document will not have a significant economic effect on a substantial number of small entities under the RFA (5 U.S.C. 601 *et seq.*). This revised rule does not have a significant effect on a substantial number of small entities. We are revising this rule to allow us the flexibility to select the method for a prospective bidder at an OCS lease sale to submit a bonus payment. If we select EFT for the method of submitting bonus payments, it will be easy for small companies to submit bonus payments because any small company has access to a commercial bank that routinely uses EFT. All current lessees must transmit the remaining 80 percent of their bonus payment and their first year rental payment via EFT. The regulation has been effective since 1984. This should not be a significant burden. The cost for establishing an account for a small company should be nominal. The bank will charge a fee per wire transfer which may be as high as \$30, but if a company has a large volume of wire transfers, the bank may only charge about a dollar or less per wire transfer. In the worst case scenario, if 30 small companies (average for recent sales) submit a bid during a lease sale, at \$30 per EFT wire transfer, the total cost for *all* small companies for a typical sale is \$900.

This rule only affects lessees on the OCS. We use Standard Industry Code 1381, Drilling Oil and Gas Wells, to characterize this group. There are 1,380 firms that drill oil and gas wells onshore and offshore. Of these, approximately 130 companies who are offshore lessees/operators need to follow our rule. According to Small Business Administration (SBA) estimates, 39 companies qualify as large firms and 91 as small firms. The SBA defines a small business as having either (a) annual revenues of \$5 million or less for exploration service and field service companies, or (b) less than 500 employees for drilling companies and for companies that extract oil, gas, or natural gas liquids.

The rule gives us the flexibility to make adjustments to determine which method of bid submission is preferable (based on technological advances) for a bidder at an OCS lease sale to submit a bonus payment. We believe both bidders and MMS realize this efficiency. When using EFT, which is now commonplace, a bidder will need to advise its commercial bank to submit its bonus payment via EFT. When using EFT, the bidder will contact the MMS Royalty Management Office designated

in the final sale notice for the proposed lease sale.

If EFT is used, overall lessee (prospective bidder's) costs will decrease as well as bid preparation time. This is not a major rule. The cost of implementation should be minimal, regardless of company size. Since *one* EFT transaction can be used per sale, and it costs \$30 for the wire transfer compared to the administrative costs (e.g., fees charged to the companies by the bank to prepare cashier's check, staff time to cancel checks on bids a company does not win, and committing and estimating funds needed for cashier's check earlier in the bidding process compared to the immediacy of EFT transactions) of preparing a cashier's check for *each* individual bid, there is little doubt that using EFT is more cost effective and more efficient than writing a separate check for each high bid.

The rule should not affect the price that a company will charge for its product or service. It should increase efficiency and decrease administrative burden. The rule should not cause any company to go out of business. In fact, this rule will give MMS the ability to establish on a sale-by-sale basis, the most efficient and effective payment method for both MMS and industry. If EFT is used, hundreds of dollars in staff time may be saved by MMS and industry.

Some small companies may consider a change in the method by which they submit bids at lease sales to be significant (from paper check to EFT). Other companies may think the change is trivial. Several small companies may experience a short-term effect as they revise current business practices. The rule should not have a significant economic effect on any company qualified to participate in OCS lease sales.

The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness Boards were established to receive comments from small businesses about Federal agency enforcement actions. The Ombudsman will annually evaluate the enforcement activities and rate each agency's responsiveness to small business. If you wish to comment on the enforcement actions of MMS, call toll-free (888) 734-3247.

Small Business Regulatory Enforcement Fairness Act (SBREFA)

This rule is not a major rule under (5 U.S.C. 804(2)) the SBREFA. This rule:

(a) Does not have an annual effect on the economy of \$100 million or more. This rule will increase the efficiency

and reduce the administrative burden of both the Government and private industry.

(b) Will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions. This rule will decrease costs and time for prospective bidders preparing for bid submission. It will reduce the Government's administrative burden as well. If EFT is used, the Government and industry will save potentially hundreds of dollars in bid preparation time and administrative costs. Since *one* EFT transaction can be used per sale, and it costs \$30 for the wire transfer compared to the administrative costs of preparing a cashier's check for *each* bid, there is little doubt that using EFT is more cost effective and more efficient.

(c) Does not have significant adverse effects on competition, employment, investment, productivity, innovation, or ability of U.S.-based enterprises to compete with foreign-based enterprises. The rule will increase productivity, innovation, and ability of U.S.-based enterprises.

Unfunded Mandate Reform Act (UMRA) of 1995

This rule does not impose an unfunded mandate on State, local, or tribal governments or the private sector of more than \$100 million per year. The rule does not have a significant or unique effect on State, local, or tribal governments or the private sector. A statement containing the information required by the UMRA (2 U.S.C. 1531 *et seq.*) is not required.

List of Subjects in 30 CFR Part 256

Administrative practice and procedure, Continental shelf, Environmental protection, Government contracts, Intergovernmental relations, Oil and gas exploration, Public lands-mineral resources, Public lands-rights-of-way, Reporting and recordkeeping requirements, Surety bonds.

Dated: July 12, 1999.

Sylvia V. Baca,

Assistant Secretary, Land and Minerals Management.

For the reasons stated in the preamble, Minerals Management Service (MMS) amends 30 CFR part 256 as follows:

PART 256—LEASING OF SULPHUR OR OIL AND GAS IN THE OUTER CONTINENTAL SHELF

1. The authority citation for part 256 continues to read as follows:

Authority: 43 U.S.C. 1331 *et seq.*

2. In § 256.46, revise paragraph (b) to read as follows:

§ 256.46 Submission of bids.

* * * * *

(b) MMS requires a deposit for each bid. The notice of sale will specify the bid deposit amount and method of payment.

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[FR Doc. 99-19262 Filed 7-27-99; 8:45 am]

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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[Region VII Tracking No. MO-076-1076; FRL-6408-3]

Finding of Failure To Submit a Revised State Implementation Plan (SIP) for Lead; Missouri; Doe Run-Herculaneum Lead Nonattainment Area

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: Today EPA is taking final action to find that the state of Missouri failed to submit a revised SIP required for the Doe Run-Herculaneum lead nonattainment area. The deadline for these SIP revisions was August 15, 1998.

The failure-to-submit finding triggers the 18-month time clock for the mandatory application of sanctions and a 2-year time clock for a Federal Implementation Plan (FIP) under the Clean Air Act (CAA). This action is consistent with the mechanism of the CAA for ensuring timely SIP submissions.

EFFECTIVE DATE: July 14, 1999.

FOR FURTHER INFORMATION CONTACT: Aaron J. Worstell, Environmental Protection Agency, Air Planning and Development Branch, 901 North 5th Street, Kansas City, Kansas 66101, (913) 551-7787.

SUPPLEMENTARY INFORMATION:

I. Background

What Is the Doe Run-Herculaneum Lead Nonattainment Area?

The Doe Run-Herculaneum lead nonattainment area is the area within the vicinity of the Doe Run primary lead smelter which fails to meet the national ambient air quality standards (NAAQS or standard) for lead. In 1991 the area was designated as nonattainment for lead pursuant to section 107(d) of the CAA. The nonattainment designation was codified in 40 CFR part 81 and

became effective on January 6, 1992. See 56 FR 56694 (November 6, 1991). The nonattainment designation applies to that part of Jefferson County, Missouri, which is within the city limits of the town of Herculaneum. The Doe Run Company has operated a primary lead smelter in Herculaneum since 1892.

In response to the nonattainment designation for Doe Run-Herculaneum, the State of Missouri submitted a SIP intended to control lead emissions in the area and thereby attain compliance with the lead standard. The plan established June 30, 1995, as the date by which the Doe Run-Herculaneum area was to have attained compliance with the lead standard. However, the plan failed to provide for attainment of the standard, and observed lead concentrations in the Herculaneum area continue to violate the standard.

What Is the Air Quality Standard for Lead?

EPA established the NAAQS for lead on October 5, 1978 (43 FR 46246). The standard for lead is set at a level of 1.5 micrograms of lead per cubic meter of air ($\mu\text{g}/\text{m}^3$), averaged over a calendar quarter. In setting the standard, EPA considered that for a population of young children, the maximum safe blood lead level (as a geometric mean) was 15 micrograms per deciliter ($\mu\text{g}/\text{dl}$) and that of this amount, as much as 12 $\mu\text{g}/\text{dl}$ may be attributable to nonair sources. Therefore, the difference of 3 $\mu\text{g}/\text{dl}$ was estimated to be the maximum safe contribution to mean blood levels from lead in the air. Furthermore, EPA considered epidemiological evidence that the general relationship between air lead ($\mu\text{g Pb}/\text{m}^3$) and blood lead ($\mu\text{g Pb}/\text{dl}$) is 1 to 2; that is, every 1 $\mu\text{g}/\text{m}^3$ lead in the air results in an increase of 2 $\mu\text{g}/\text{dl}$ in blood lead for children. As a result, EPA determined that the lead standard should be 1.5 $\mu\text{g}/\text{m}^3$.

What Are the Adverse Health Effects of Lead?

Exposure to lead occurs mainly through the inhalation of air and the ingestion of lead in food, water, soil, or dust. It accumulates in the blood, bones, and soft tissues. Because it is not readily excreted, lead can also adversely affect the kidneys, liver, nervous system, and other organs. Excessive exposure to lead may cause neurological impairments such as seizures, mental retardation, and/or behavioral disorders. Even at low doses, lead exposure is associated with damage to the nervous systems of fetuses and young children, resulting in learning deficits and lowered IQ. Recent studies also show that lead may be a

factor in high blood pressure and subsequent heart disease.

More detailed information on the adverse health effects of lead can be found in the rulemaking promulgating the lead standard.

Why Has EPA Made a Finding of Failure To Submit?

On August 15, 1997, after taking and responding to public comments, EPA published a document in the **Federal Register** providing notification that the Doe Run-Herculaneum nonattainment area had failed to attain the lead standard by the June 30, 1995, deadline (62 FR 43647). Pursuant to section 179(d) of the CAA, within 12 months of the publication of the failure-to-attain finding (i.e., by August 15, 1998), the state of Missouri was required to submit a revised SIP providing for attainment of the lead standard in the area. However, the state of Missouri failed to submit the required SIP revision by the deadline, and EPA is therefore making a finding of failure to submit. The Governor of Missouri was notified of the state's deficiency on February 25, 1999.

What Are the Consequences of Failure To Submit?

The Missouri Department of Natural Resources is currently working on a revised SIP to attain the lead standard in Herculaneum. If the state fails to submit a complete SIP revision within 18 months of July 14, 1999, then pursuant to section 179(a) of the CAA and 40 CFR 52.31, the offset sanction identified in section 179(b) of the CAA will be applied. If the state still has not made a complete submission six months after the offset sanction is imposed, then the highway funding sanction will apply in the affected area in accordance with 40 CFR 52.31. In addition, section 110(c) of the CAA provides that EPA promulgate a FIP no later than two years after a finding under section 179(a) if prior to that time EPA has not approved the submission correcting the deficiency.

The 18-month clock will stop, and the section 179(b) sanctions will not take effect if, within 18 months after the date of the finding, EPA finds that the state has made a complete submittal. In addition, EPA will not promulgate a FIP if the state makes the required SIP submittal and EPA takes final action to approve the submittal within two years of the effective date of EPA's finding.

II. Final Action

What Action Is EPA Taking?

We find that the State of Missouri failed to submit SIP revisions for the