

work as planning, analysis, and related studies, as well as resource activities.

(b) *Reimbursements and Bonding.* Agency expenditures for work in accordance with this section may be made from Forest Service appropriations available for similar type work, with subsequent reimbursement from the cooperator, when a written agreement so provides. Reimbursement from the cooperator must occur in the same fiscal year as Forest Service expenditures. When a non-Government cooperator agrees to contribute \$25,000 or more to the Forest Service on a reimbursable basis, the authorized officer must require, as part of the written agreement with the cooperator, a payment bond to guarantee the reimbursement payment, thereby ensuring the public interests are protected. Acceptable security for the payment bond includes Department of the Treasury approved corporate sureties, Federal Government obligations, and irrevocable letters of credit.

(c) *Avoiding conflict of interest.* Forest officers shall avoid acceptance of contributions from cooperators, when such contributions would reflect unfavorably upon the ability of the Forest Service to carry out its responsibilities and duties. Forest officers shall be guided by the provisions of 18 U.S.C. 201-209, 5 CFR 2635, and applicable Department of Agriculture regulations, in determining if a conflict of interest or potential conflict of interest exists in a proposed cooperative effort. Forest Service ethics officials or the designated Department of Agriculture ethics official should be consulted on conflict of interest issues.

Dated: April 15, 1998.

Robert Lewis, Jr.,

Acting Associate Chief.

[FR Doc. 98-13037 Filed 5-15-98; 8:45 am]

BILLING CODE 3410-11-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 63

[FRL-6015-2]

National Emission Standards for Hazardous Air Pollutants; Proposed Standards for Hazardous Air Pollutants Emissions for the Portland Cement Manufacturing Industry

AGENCY: Environmental Protection Agency (EPA).

ACTION: Extension of public comment period.

SUMMARY: The EPA is extending the public comment period on the Notice of Proposed Rulemaking (NPRM) for hazardous air pollutants emissions for the portland cement manufacturing industry, which was published in the **Federal Register** on March 24, 1998 (63 FR 14182). The purpose of this notice is to extend the comment period from May 26, 1998 to June 26, 1998, in order to provide commenters adequate time to review the NPRM and extensive supporting materials.

DATES: The EPA will accept comments on the NPRM until June 26, 1998.

ADDRESSES: Comments should be submitted (in duplicate) to: Air and Radiation Docket and Information Center (6102), Attention: Docket No. A-92-53, U.S. Environmental Protection Agency, 401 M Street, SW, Washington, DC 20460. The EPA requests that a separate copy also be sent to the contact person listed below (Mr. Joseph Wood). The docket may be inspected at the above address between 8:00 a.m. and 5:30 p.m. on weekdays. A reasonable fee may be charged for copying.

FOR FURTHER INFORMATION CONTACT: For information concerning the NPRM, contact Mr. Joseph Wood, P.E., Minerals and Inorganic Chemicals Group, Emission Standards Division (MD-13), U.S. Environmental Protection Agency, Research Triangle Park, NC 27711, telephone number (919) 541-5446; electronic mail address wood.joe@epamail.epa.gov.

Dated: May 12, 1998.

Richard D. Wilson,

Acting Assistant Administrator.

[FR Doc. 98-13124 Filed 5-15-98; 8:45 am]

BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 81

[FRL-6014-3]

Identification of Additional Ozone Areas Attaining the 1-Hour Standard and to Which the 1-Hour Standard is No Longer Applicable

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The EPA proposes to approve the identification of additional ozone areas attaining the 1-hour standard and to which the 1-hour standard is no longer applicable. Thus, upon finalization of this proposed action, the Code of Federal Regulations for ozone will be amended to reflect such changes.

Today's action is being proposed in direct response to the President's memorandum of July 16, 1997. The President's memorandum directed EPA to publish an action identifying ozone areas to which the 1-hour standard will cease to apply because they have not measured a current violation of the 1-hour standard. For all other areas, the 1-hour standard will continue to apply. Furthermore, this action is being taken as indicated in the direct final rule published on January 16, 1998, which due to the receipt of adverse comments, was subsequently converted to a proposal and was withdrawn on March 16, 1998. According to the direct final rule, the Agency intended to publish, in early 1998, a subsequent document which takes similar action to revoke the 1-hour standard in additional areas that have air quality that does not violate the 1-hour standard. Today's proposed action identifies six additional areas where the 1-hour standard will no longer apply. The additional proposed areas are: Dayton-Springfield, Ohio; Detroit-Ann Arbor, Michigan; Warrick County, Indiana; Grand Rapids, Michigan; Poughkeepsie, New York, and Morgan County, Kentucky.

DATES: To be considered, comments must be received on or before June 17, 1998.

ADDRESSES: Comments should be submitted (in duplicate, if possible) to: Air and Radiation Docket and Information Center (6101), Attention: Docket No. A-98-19, U.S. Environmental Protection Agency, 401 M Street SW, Room M-1500, Washington, DC 20460, telephone (202) 260-7548, between 8:00 a.m. and 4:00 p.m., Monday through Friday, excluding legal holidays. A reasonable fee may be charged for copying. Comments and data may also be submitted electronically by following the instructions under

SUPPLEMENTARY INFORMATION OF THIS DOCUMENT. NO CONFIDENTIAL BUSINESS INFORMATION (CBI) SHOULD BE SUBMITTED THROUGH E-MAIL.

FOR FURTHER INFORMATION CONTACT: Questions concerning this notice should be addressed to Annie Nikbakht (policy) or Barry Gilbert (air quality data), Office of Air Quality Planning and Standards, Air Quality Strategies and Standards Division, Ozone Policy and Strategies Group, MD-15, Research Triangle Park, NC 27711, telephone (919) 541-5246/5238. In addition, the following Regional contacts may be called for individual information regarding monitoring data and policy matters specific for each Regional Office's geographic area:

Region I—Richard P. Burkhart, (617) 565-3578
 Region II—Ray Werner, (212) 637-3706
 Region III—Marcia Spink, (215) 566-2104
 Region IV—Kay Prince, (404) 562-9026
 Region V—Todd Nettesheim, (312) 353-9153
 Region VI—Lt. Mick Cote, (214) 665-7219
 Region VII—Royan Teter, (913) 551-7609
 Region VIII—Tim Russ, (303) 312-6479
 Region IX—Morris Goldberg, (415) 744-1296
 Region X—William Puckett, (206) 553-1702.

SUPPLEMENTARY INFORMATION: Electronic Availability—The official record for this proposed rule, as well as the public version, has been established under docket number A-98-19 (including comments and data submitted electronically as described below). A public version of this record, including printed, paper versions of electronic comments, which does not include any information claimed as CBI, is available for inspection from 8:00 a.m. to 4:00 p.m., Monday through Friday, excluding legal holidays. The official proposed rulemaking record is located at the address in **ADDRESSES** at the beginning of this document. Electronic comments can be sent directly to EPA at: A-and-R-Docket@epamail.epa.gov. Electronic comments must be submitted as an ASCII file avoiding the use of special characters and any form of encryption. Comments and data will also be accepted on disks in WordPerfect in 5.1 file format or ASCII file format. All comments and data in electronic form must be identified by the docket number A-98-19. Electronic comments on this proposed rule may be filed online at many Federal Depository Libraries.

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I. Background

On July 16, 1997, the President issued a memorandum (62 FR 38421, July 18, 1997) to the Administrator of the EPA which indicates that within 90 days of promulgation of the new 8-hour standard, the EPA will publish an action identifying ozone areas to which the 1-hour standard will cease to apply. The memorandum states that for areas where

the air quality does not currently attain the 1-hour standard, the 1-hour standard will continue in effect. The provisions of subpart 2 of title I of the Clean Air Act (CAA) would also apply to currently designated nonattainment areas until such time as each area has air quality meeting the 1-hour standard.

On July 18, 1997 (62 FR 38856), EPA promulgated a regulation replacing the 1-hour ozone standard with an 8-hour standard at a level of 0.08 parts per million (ppm). The form of the 8-hour standard is based on the 3-year average of the annual fourth-highest daily maximum 8-hour average ozone concentrations measured at each monitor within an area. The new primary standard, which became effective on September 16, 1997, will provide increased protection to the public, especially children and other at-risk populations. On July 18, 1997, EPA also announced that revocation of the 1-hour ozone national ambient air quality standard (NAAQS) would be delayed until areas achieved attainment of the 1-hour NAAQS. This was done in order to facilitate continuity in public health protection during the transition to the new NAAQS.

Therefore, on January 16, 1998, according to the President's memorandum, the Agency issued a direct final rule (63 FR 2726) which identified ozone areas to which the 1-hour standard will cease to apply because they have not measured a current violation of the 1-hour standard. For all other areas, the 1-hour standard will continue to apply. However, due to the receipt of adverse comments, the direct final action was withdrawn on March 16, 1998 (63 FR 12652) and converted to a proposed rule that had previously been published on January 16, 1998 (63 FR 2804). The Agency will summarize and address all relevant public comments received in a subsequent final rule. According to the initial direct final rule, the Agency intended to publish, in early 1998, a subsequent document which takes similar action to revoke the 1-hour standard in additional areas that have air quality that does not violate the 1-hour standard and to take similar action each year thereafter.

II. Summary of Today's Action

The purpose of this document is to propose the revocation of the 1-hour standard in six additional areas that EPA has determined are not violating the 1-hour standard. The newly identified areas are: Dayton-Springfield, Ohio; Detroit-Ann Arbor, Michigan; Warrick County, Indiana; Grand Rapids,

Michigan; Poughkeepsie, New York, and Morgan County, Kentucky.

III. Analysis of Air Quality Data

This action, proposing to revoke the 1-hour standard in additional selected areas, is based upon analysis of quality-assured, ambient air quality monitoring data showing no violations of the 1-hour ozone standard. The method for determining attainment of the ozone NAAQS is contained in 40 CFR part 50.9 and Appendix H to that section. The level of the 1-hour primary and secondary NAAQS for ozone is 0.12 ppm.

The 1-hour standard no longer applies to an area once EPA determines that the area has air quality not violating the 1-hour standard. Determinations for this notice were based upon the most recent data available, i.e., 1995-1997 data. Detailed air quality data information used for today's determinations is contained in the Technical Support Document (TSD) to Docket No. A-98-19.

IV. Tables

The ozone tables proposed in today's action are significantly different from the tables now included in 40 CFR part 81. The current 40 CFR part 81 designation listings (revised as of November 6, 1991) include, by State and NAAQS pollutant, a brief description of areas within the State and their respective designation. Today's proposed action includes completely new entries for certain ozone areas indicating where the 1-hour standard no longer applies.

V. Other Regulatory Requirements

A. Executive Order 12866

Under Executive Order 12866, (58 FR 51735 (October 4, 1993)), the Agency must determine whether the regulatory action is "significant" and therefore subject to OMB review and the requirements of the Executive Order. The Office of Management and Budget has exempted this regulatory action from Executive Order 12866 review.

B. Regulatory Flexibility Act

Under the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, EPA must prepare a regulatory flexibility analysis assessing the impact of any proposed or final rule on small entities (5 U.S.C. 603 and 604), unless EPA certifies that the rule will not have a significant impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and government entities with jurisdiction over populations of less than 50,000. I hereby certify that

this rule will not have a significant impact on a substantial number of small entities.

C. E.O. 12875 and Unfunded Mandates

Under section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA), EPA must prepare a budgetary impact statement to accompany any proposed or final rule that includes a Federal mandate that may result in estimated costs to State, local, or tribal governments in the aggregate; or to private sector, of \$100 million or more. Under section 205, EPA must select the most cost effective and least burdensome alternative that achieves the objectives of the rule and is consistent with statutory requirements. Section 203 requires EPA to establish a plan for informing and advising any small governments that may be significantly or uniquely impacted by the rule.

The EPA has determined that today's action, if finalized, would not include a Federal mandate that may result in estimated costs of \$100 million or more to either State, local, or tribal governments in the aggregate or to the private sector. This Federal action imposes no new requirements. Accordingly, no additional costs to State, local, or tribal governments, or to the private sector, result from this action.

Accordingly, no additional costs to State, local, or tribal governments, or to the private sector, result from this action.

D. Children's Health Protection

This proposed rule is not subject to E.O. 13045, entitled "Protection of Children from Environmental Health Risks and Safety Risks" (62 FR 19885, April 23, 1997), because it does not involve decisions on environmental health risks or safety risks that may disproportionately affect children.

List of Subjects in 40 CFR Part 81

Environmental protection, Air pollution control, National parks, Wilderness areas.

Dated: May 12, 1998.

Carol M. Browner,
Administrator.

For the reasons set out in the preamble, title 40, chapter 1, part 81, of the Code of Federal Regulations is proposed to be amended as follows:

PART 81—[AMENDED]

1. The authority citation for part 81 continues to read as follows:

Authority: 42 U.S.C. 7401-7671q.

2. In § 81.315, the table entitled "Indiana—Ozone" is amended by revising the entry for "Warrick County" and adding footnote 2 to read as follows:

§ 81.315 Indiana.

* * * * *

INDIANA—OZONE

Designated area	Designation		Classification	
	Date ¹	Type	Date ¹	Type
* * * * *	*	*	*	*
Warrick County Area: Warrick County		1 hr. std. N.A. ²		
* * * * *	*	*	*	*

¹ This date is the effective date of the final.
² 1 hour standard Not Applicable.

* * * * *

3. In § 81.318, the table entitled "Kentucky—Ozone" is amended by revising the entry for "Morgan County" and adding footnote 3 to read as follows:

§ 81.318 Kentucky.

* * * * *

KENTUCKY—OZONE

Designated area	Designation		Classification	
	Date ¹	Type	Date ¹	Type
* * * * *	*	*	*	*
Morgan County Area: Morgan County		1 hr. std. N.A. ³		
* * * * *	*	*	*	*

¹ This date is the effective date of the final.
³ 1 hour standard Not Applicable.

* * * * *

4. In § 81.323, the table entitled "Michigan-Ozone" is amended by revising the entries for "Detroit-Ann Arbor Area" and "Grand Rapids Area" and adding footnote 2 to read as follows:

§ 81.323 Michigan.

* * * * *

MICHIGAN—OZONE

Designated area	Designation		Classification	
	Date ¹	Type	Date ¹	Type
* * * * *	*	*	*	*
Detroit-Ann Arbor Area:				
Livingston County		1 hr. std. N.A. ²		
Macomb County		1 hr. std. N.A. ²		
Monroe County		1 hr. std. N.A. ²		
Oakland County		1 hr. std. N.A. ²		
St. Clair County		1 hr. std. N.A. ²		
Washtenaw County		1 hr. std. N.A. ²		
Wayne County		1 hr. std. N.A. ²		
* * * * *	*	*	*	*
Grand Rapids Area:				
Kent County		1 hr. std. N.A. ²		
Ottawa County		1 hr. std. N.A. ²		
* * * * *	*	*	*	*

¹ This date is the effective date of the final.
² 1 hour standard Not Applicable.

5. In §81.333, the table entitled “New York—Ozone” is amended by revising the entry for “Poughkeepsie Area” and revising footnote 2 to read as follows:

§ 81.333 New York.

NEW YORK—OZONE

Designated area	Designation		Classification	
	Date ¹	Type	Date ¹	Type
* * * * *	*	*	*	*
Poughkeepsie Area:				
Dutchess County		1 hr. std. N.A. ²		
Orange County (remainder)		1 hr. std. N.A. ²		
Putnam County		1 hr. std. N.A. ²		
* * * * *	*	*	*	*

¹ This date is the effective date of the final.
² 1 hour standard Not Applicable.

6. In §81.336, the table entitled “Ohio—Ozone” is amended by revising the entry for “Dayton-Springfield Area” and adding footnote 3 to read as follows:

§ 81.336 Ohio.

Ohio-Ozone

Designated area	Designation		Classification	
	Date ¹	Type	Date ¹	Type
* * * * *	*	*	*	*
Dayton-Springfield Area:				
Clark County		1 hr. std. N.A. ³		
Greene County		1 hr. std. N.A. ³		
Miami County		1 hr. std. N.A. ³		
Montgomery County		1 hr. std. N.A. ³		
* * * * *	*	*	*	*

¹ This date is the effective date of the final.
³ 1 hour standard Not Applicable.

* * * * *
 [FR Doc. 98-13119 Filed 5-15-98; 8:45 am]
 BILLING CODE 6560-50-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Care Financing Administration

42 CFR Part 413

[HCFA-1876-P]

RIN 0938-AH61

Medicare Program; Revision to Accrual Basis of Accounting Policy

AGENCY: Health Care Financing Administration (HCFA), HHS.

ACTION: Proposed rule.

SUMMARY: Current policy provides that payroll taxes a provider becomes obligated to remit to governmental agencies are included in allowable costs under Medicare only in the cost reporting period in which payment (upon which the payroll taxes are based) is actually made to an employee. Therefore, for payroll accrued in one year but not paid until the next year, the associated payroll taxes on the payroll are not an allowable cost until the next year. This proposed rule would make one exception, in the situation where payment would be made to the employee in the current year but for the fact the regularly scheduled payment date is after the end of the year. In that case, the rule would require allowance in the current year of accrued taxes on payroll that is accrued through the end of the year but not paid until the beginning of the next year, thus allowing accrued taxes on end-of-the-year payroll in the same year that the accrual of the payroll itself is allowed. The effect of this proposal is not on the allowability of cost but rather only on the timing of payment; that is, the cost of payroll taxes on end-of-the-year payroll would be allowable in the current period rather than in the following period.

DATES: Written comments will be considered if we receive them at the appropriate address, as provided below, no later than 5 p.m. on July 17, 1998.

ADDRESSES: Mail written comments (one original and three copies) to the following address: Health Care Financing Administration, Department of Health and Human Services, Attention: HCFA-1876-P, P.O. Box 7517, Baltimore, MD 21207-0517.

If you prefer, you may deliver your written comments to one of the following addresses:

Room 309-G, Hubert H. Humphrey Building, 200 Independence Avenue, SW, Washington, DC 20201, or Room C5-11-17 Central Building, 7500 Security Boulevard, Baltimore, MD 21244-1850.

Because of staffing and resource limitations, we cannot accept comments by facsimile (FAX) transmission. In commenting, please refer to file code HCFA-1876-P. Comments received timely will be available for public inspection as they are received, generally beginning approximately 3 weeks after publication of a document, in room 309-G of the Department's offices at 200 Independence Avenue, SW, Washington, DC, on Monday through Friday of each week from 8:30 a.m. to 5 p.m. (Phone: (202) 690-7890).

Copies: To order copies of the **Federal Register** containing this document, send your request to: New Orders, Superintendent of Documents, PO Box 37194, Pittsburgh, PA 15250-7954. Specify the date of the issue requested and enclose a check or money order payable to the Superintendent of Documents, or enclose your Visa or MasterCard number and expiration date. Credit card numbers can also be placed by calling the order desk at (202) 512-1800 or by faxing to (202) 512-2250. The cost for each copy is \$8.00. As an alternative, you can view and photocopy the **Federal Register** document at most libraries designated as Federal Deposit Libraries and at many other public and academic libraries throughout the country that receive the **Federal Register**.

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SUPPLEMENTARY INFORMATION:

I. Background

Generally, under the Medicare program, health care providers not subject to prospective payment are paid

for the reasonable costs of covered services furnished to Medicare beneficiaries. This policy pertains to all services furnished by providers other than inpatient hospital services furnished in acute care hospitals (section 1886(d) of the Social Security Act (the Act)) and certain inpatient routine services furnished by skilled nursing facilities choosing to be paid on a prospective payment basis (section 1888(d) of the Act). Additionally, there are other limited services not paid on a reasonable cost basis, to which this policy will not apply.

Section 1861(v)(1)(A) of the Act defines reasonable cost and provides that reasonable cost shall be determined in accordance with implementing regulations. Section 413.24 establishes the methods to be used and the adequacy of data needed to determine reasonable costs for various types or classes of institutions, agencies, and services. Section 413.24(a) requires providers receiving payment on the basis of reasonable cost to maintain financial records and statistical data sufficient for the proper determination of costs payable under the program and for verification of costs by qualified auditors. The cost data are required to be based on an approved method of cost finding and on the accrual basis of accounting. Section 413.24(b)(2) provides that under the accrual basis of accounting, revenue is reported in the period in which it is earned, regardless of when it is collected, and expenses are reported in the period in which they are incurred, regardless of when they are paid. Further, § 413.100 (see 60 FR 33126, June 27, 1995) provides for special treatment of certain accrued costs, including Federal Insurance Contribution Act (FICA) and other payroll taxes claimed by providers on their cost reports. Specifically, § 413.100(c)(2)(vi) provides that a provider's share of FICA and other payroll taxes that the provider becomes obligated to remit to governmental agencies is included in allowable costs only during the cost reporting period in which payment (upon which the payroll taxes are based) is actually made to the employee.

Prior to publication of § 413.100 on June 27, 1995, we published a proposed rule on October 9, 1991 (56 FR 50834). Following publication of that proposal, we received several comments that we should recognize accrued payroll taxes during the same period that the employee benefits are earned and accrued. One commenter asserted that costs related to the accrual of payroll taxes should be allowed especially as they relate to the accrual of year-end