§ 903.11 Are certain PHAs eligible to submit a streamlined Annual Plan?

(a) Yes, the following PHAs may submit a streamlined Annual Plan, as described in paragraph (b) of this section:

(1) PHAs that are determined to be high performing PHAs as of the last annual or interim assessment of the PHA before the submission of the 5-Year or Annual Plan;

(2) PHAs with less than 250 public housing units (small PHAs) and that have not been designated as troubled in accordance with section 6(j)(2) of the 1937 Act; and

(3) PHAs that only administer tenant-based assistance and do not own or operate public housing.

(b) All streamlined plans must provide information on how the public may reasonably obtain additional information on the PHA policies contained in the standard Annual Plan, but excluded from their streamlined submissions.

(c) A streamlined plan must include the information provided in this paragraph (c) of this section. The Secretary may reduce the information requirements of streamlined Plans further, with adequate notice.

(1) For high performing PHAs, the streamlined Annual Plan must include the information required by § 903.7(a), (b), (c), (d), (g), (h), (m), (n), (o), (p) and (r). The information required by § 903.7(m) must be included only to the extent this information is required for PHA's participation in the public housing drug elimination program and the PHA anticipates participating in this program in the upcoming year.

(2) For small PHAs that are not designated as troubled or that are not at risk of being designated as troubled under section 6(j)(2) of the 1937 Act the streamlined Annual Plan must include the information required by § 903.7(a), (b), (c), (d), (g), (h), (k), (m), (n), (o), (p) and (r). The information required by § 903.7(k) must be included only to the extent that the PHA participates in homeownership programs under section 8(y). The information required by § 903.7(m) must be included only to the extent this information is required for the PHA's participation in the public housing drug elimination program and the PHA anticipates participating in this program in the upcoming year.

(3) For PHAs that administer only tenant-based assistance, the streamlined Annual Plan must include the information required by § 903.7(a), (b), (c), (d), (e), (f), (k), (l), (o), (p) and (r).

Dated: August 7, 2000.

Harold Lucas,

Assistant Secretary for Public and Indian Housing.

[FR Doc. 00–20550 Filed 8–11–00; 8:45 am]

BILLING CODE 4210–33–P

DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Part 250

RIN 1010–AC41

Oil and Gas and Sulphur Operations in the Outer Continental Shelf—Subpart O—Well Control and Production Safety Training

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Final rule.

SUMMARY: This rule amends MMS regulations governing the training of lessee and contractor personnel engaged in oil and gas and sulphur operations in the OCS. MMS is making this amendment to enhance safety, allow the development of new and innovative training techniques, to impose fewer prescriptive requirements on the oil and gas industry, and provide increased training flexibility.

EFFECTIVE DATE: October 13, 2000.

FOR FURTHER INFORMATION CONTACT: Wilbon Rhome or Joseph Levine, Operations and Analysis Branch, at (703) 787–1032.

SUPPLEMENTARY INFORMATION: On April 20, 1999, we published the proposed rule in the **Federal Register** (64 FR 19318). During the 90-day comment period, which ended on July 19, 1999, MMS held a workshop.

Background

On February 5, 1997, we published a final rule in the **Federal Register** (62 FR 5320) concerning the training of lessee and contractor employees engaged in drilling, well completion, well workover, well servicing, or production safety system operations in the OCS. The final rule streamlined the previous regulations by 80 percent, provided the flexibility to use alternative training methods, and simplified the training options at 30 CFR 250, Subpart O—Training.

The February 5, 1997, final rule did not sufficiently address developing a performance-based training system, so we planned to publish a proposed rule to better address this issue. Before considering any further revisions to the rule, we decided to hold a workshop in Houston, Texas. The purpose of the workshop was to discuss the development of a performance-based training system for OCS oil and gas activities.

On April 4, 1997, we published a **Federal Register** notice (62 FR 18070) announcing the workshop. We stated that the goal of the meeting was to develop a procedure that ensures that lessee and contractor employees are trained in well control or production safety system operations by creating a less prescriptive training program, focusing on results and not on processes.

To improve the regulations at 30 CFR 250, Subpart O—Training, the workshop notice asked attendees to be prepared to present and discuss comments on the following four performance measures and indicators that could be used as part of a performance-based program:

- MMS Written Test;
- MMS Hands-On and Simulator Testing;
- Audits, Interviews, or Cooperative Reviews; and
- Incident of Noncompliance (INC), Civil Penalty, and Event Data.

On June 10, 1997, we conducted a public workshop in Houston, Texas, which received excellent participation from industry and training schools. Approximately 190 people attended the workshop, representing a diverse cross section of the oil and gas industry.

The next step in the development of a performance-based training system was accomplished by publishing a proposed rule on April 20, 1999. The rule focused on the development of a performance-based training program. The proposed rule required lessee and contract employees to develop their own training programs tied to the job duties of their personnel. This final rule will primarily focus on training results rather than on the process by which employees are trained. By developing appropriate performance measures, MMS can evaluate the effectiveness of a lessee's training programs by:

- written testing;
- hands-on testing;
- training system audits; or
- employee interviews.

This approach requires lessees to be responsible for the quality and the level of training their employees receive.

Differences Between Proposed and Final Rules

In addition to the changes we made to the final rule in response to comments, we also reworded certain complex sections for further clarity. In many instances, the changes improve MMS's internal work processes to better serve

its external customers. Following are the major changes by section.

• We replaced the tables in proposed § 250.1504. In the proposed rule, the tables listed the minimum ''knowledge and job skill elements'' employees must have to competently perform their assigned well control and production safety duties. The elements were far too prescriptive for a performance-based rule. The new 30 CFR 250.1503(a) is more performance-based, stating that: ''You'' must establish and implement a training program so that all of your employees are trained to competently perform their assigned well control and production safety duties. The knowledge and job skill elements that an employee must possess in order to perform assigned well control or production safety duties are the responsibility of the lessee.

• We added § 250.1502, establishing a 2-year transition period to ensure a smooth transition from the existing rule to the new requirement.

• We deleted proposed § 250.1502(c) that stated that both lessees and contractors are required to develop training plans. We now specify that only lessees are required to develop a training plan.

• We modified proposed § 250.1503(b)(1) through (7) to add clarity and specificity so that lessees understand they are responsible for ensuring that all personnel working on their leases are trained and can competently perform their assigned well control or production safety duties. We also wanted contractors to understand that the lessees will review their training program for contract personnel.

• We replaced proposed § 250.1510 with § 250.1503(c). In proposed § 250.1510, we explained why it may be necessary for lessees to provide a training plan to the MMS. In § 250.1503(c), we describe what documentation the lessee must provide to MMS upon request of the Regional or District Supervisor.

• We deleted proposed § 250.1512 and moved the requirements to § 250.1509 in the final rule. Under the current system, MMS-approved training schools conduct hands-on, simulator, or other types of testing that must be passed by the employees before they can work on the OCS. Under the final rule, § 250.1509 outlines the requirements involved if MMS conducts, or requires the lessees to conduct, these tests. We are changing the requirement in the proposed rule that the lessees pay all costs associated with testing. This final rule specifies that the lessees are responsible for paying the testing costs, excluding salary and travel costs for MMS personnel.

Response to Comments

MMS received 25 comments on the proposed rule. The comments were received from six production operators, six drilling contractors, two trade organizations, one standard setting organization, nine training schools, and one congressional office. We reviewed all the comments and, in some instances, we revised the final language based on these comments. MMS grouped the major comments and organized them by the proposed regulation section number or subject, as highlighted in the comment table.

COMMENT TABLE

Requirement/Proposed rule	Comment	MMS response
Preamble	The transition period is inadequate. Lessees will not be able to implement a satisfactory program within a 90-day timeframe.	Agree—MMS added a section establishing a 2-year transition period to ensure the smoothest transition from the existing rule to the new requirement. New 30 CFR 250.1502.
Preamble	The stated training plan development time of 2.2 hours is an understatement.	Agree—We noted and corrected. Plan development time averages 40–60 hours.
§ 250.1501	MMS should delete the requirement ''experienced,'' as this would preclude ''new hire employees.'' The word ''experienced'' does not necessarily relate to ''competent,'' which is the primary goal of MMS' training program.	Agree—We deleted the requirement ''experienced.''
§ 250.1502	Several commenters stated that contractors would need to assure each individual lessee they work for that their personnel have been trained according to the specific program requirements that have been developed by that lessee. Contractors may have to modify their program to fit each lessee's definition of an acceptable program, possibly requiring the contractor to alter its training program every time a rig changes to a different customer.	Agree—Contractors may have to address the lessees' training plans. These differences may exist regardless of the system that is in place. It is the responsibility of the lessees to ensure that those differences do not impact the safety of operations.
§ 250.1502	Several commenters asked for clarification concerning which personnel are to be trained. The expanded scope of the rule from the prior regulations seems to imply that the catering staff, marine, helicopter, and other nonessential third-party ''contract or'' personnel must also be trained by the lessee.	Agree—MMS did not mean to imply that catering staff, marine, helicopter and other nonessential third-party ''contractor'' personnel be trained by the lessee. According to this rule, only personnel engaged in well control or production safety operations must be trained.
§ 250.1502	One commenter wanted MMS to remove the requirement that hot tapping practices and procedures be included in the lessee's training plan.	Agree—The focus of this rule has been limited to well control and production safety training.
§ 250.1502(a)	MMS' current prescriptive training requirements should be maintained.	Disagree—MMS believes lessees should be responsible for developing procedures that ensure their workers are properly trained prior to working on the OCS rather than having MMS prescribe them.
§ 250.1502(c)	One commenter stated that MMS should clarify if both lessees and contractors are required to develop training plans.	Agree—We now specify that lessees are required to develop a training plan. Lessees will be responsible for ensuring that all personnel working on their leases are trained and can competently perform their assigned well control or production safety duties. New 30 CFR 250.1503.

COMMENT TABLE—Continued

Requirement/Proposed rule	Comment	MMS response
§ 250.1502(c)	A 5-year record retention requirement for documentation for all employees is costly and unwarranted.	Disagree—MMS may need at least 5 years of training records to make an assessment of your training program and look at safety trends. New 30 CFR 250.1503(c)(1).
§ 250.1504	Several commenters suggested that the knowledge and job skill elements included in the tables are far too prescriptive for a rule that MMS intends to be ''performance-based''.	Agree—MMS believes that the tables are too prescriptive for a performance-based rule. We have elected to delete the tables.
§ 250.1509	Clarity that an employee needs to be kept current on information related to his or her particular job.	Agree—Wording has been changed to reflect periodic training of employees in relation to their specific job. New 30 CFR 250.1506.
§ 250.1510	Several commenters pointed out that the proposed rule does not contain requirements regarding course duration, class size, or periodic retraining. Some in industry may take this as a sign to extend the training frequency of their employees from 2 to 6 years, or to reduce well control certification to a one-time course and test.	Disagree—As part of the final rule, lessees will be required to develop a training plan defining their program. Minimum information to be included in the plan is included in the final rule. MMS will monitor company training programs to determine their effectiveness. New 30 CFR 250.1503.
§ 250.1510(b)(3)	Several commenters urged MMS not to use written tests as an indicator of an employee's competency or the effectiveness of an employee's training, and one commenter stated that tests should be administered orally because many offshore workers have difficulty reading regulations or company operating manuals.	Agree in part—MMS realizes that failing a written test does not mean an employee does not know his or her job. A written test is one of many tools MMS may use in assessing the performance of a company's training program. MMS may elect to conduct oral tests according to the lessee's training plan. New CFR 250.1508(a)
§ 250.1512	Several commenters stated the requirements for hands-on, simulator, or other types of testing will cause a disruption in operations if conducted offshore. This type of testing will not provide a valid indicator of the lessee's performance or the effectiveness of its training program.	Disagree—Whenever possible, MMS will try to accommodate this concern and minimize any potential disruptions. However, to assist in addressing personnel competency, hands-on, simulator, or other types of testing may be conducted in an offshore environment. Therefore, we retained the option for either onshore or offshore testing. New CFR 250.1507(d)
§ 250.1512	Several commenters stated that MMS should delete the requirement that lessees and contractors pay for all costs associated with hands-on, simulator, or other types of testing.	Disagree—MMS may use hands-on, simulator, or other types of tests as a method for evaluating the effectiveness of a training program. Whenever possible, MMS will make efforts to minimize costs associated with testing. The final rule clarifies that lessees will not be responsible for paying the salary and travel costs of MMS personnel. New 30 CFR 250.1507(d).
§ 250.1512	Several commenters stated that MMS should not use an authorized representative to administer or witness MMS hands-on, simulator, or live well testing. They believe that MMS should bear the burden of guaranteeing impartiality and controlling costs during these tests.	Disagree—MMS does not have the equipment or expertise to conduct hands-on, simulator, or live well testing. For that reason, the final rule includes a provision that either the MMS or its authorized representative would administer or witness the testing if we find it necessary. New CFR 250.1509(a).
Testing-out	One commenter urged MMS not to move in the direction of testing-out, especially in positions critical to operational safety, such as well control.	Disagree—MMS and much of industry sees value in training, even for advanced employees who can pass the test. However, under a performance-based system, certain lessees may choose to implement the testing-out options for some of their personnel. MMS will measure these results according to the requirements in § 250.1507 to ensure the competency of these employees.
General	One commenter stated that statistics on incidents in OCS waters overwhelmingly support the success of MMS' current training program. With today's environment in the oil and gas industry, this is not the time to experiment with a new type of training regulation.	Disagree—MMS believes that this final rule provides companies the opportunity to develop their own programs tailored to the needs of their employees. The changes in the final rule are expected to decrease incidents and improve company performance by holding lessees accountable for the competency of their employees.
WellCAP	Several commenters stated that MMS should consider referencing the International Association of Drilling Contractors (IADC) WellCAP training program, or its associated documents in the final rule. WellCAP is ideally positioned to act as an industry benchmark in the absence of MMS' school-based system, providing training uniformity and an acceptable level of quality to well control training worldwide.	Agree—MMS commends IADC for the WellCAP program and acknowledges the value WellCAP could bring in providing minimum well control training requirements to lessees and contractors worldwide. MMS intends to publish a proposed rule that proposes the incorporation of WellCAP or a comparable third party certification program into Subpart O.

Procedural Matters

Regulatory Planning and Review (Executive Order 12866)

This document is a significant rule and is subject to review by the Office of Management and Budget (OMB) under Executive Order 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. The rule does not add any new cost to the oil and gas industry, and it will not reduce the level of safety to personnel or the environment.

(2) This rule will not create a serious inconsistency or otherwise interfere with an action taken or planned by another agency. The Department of the Interior (DOI) has several Memoranda of Understanding (MOUs) with the U.S. Coast Guard that define the responsibilities of each agency with respect to activities on the OCS. The MOUs are effective in avoiding inconsistency or interfering with any action taken by another agency.

(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 will not affect programs such as listed here. This is a training rule that applies to the lessees working on the OCS. There are no entitlements, grants, or user fees that apply.

(4) Although moving towards performance-based rules is a fairly new concept, this rulemaking will not raise any legal issues. However, there may be certain novel policy issues to consider, thus, this rule is significant and is subject to review by OMB. We held a public workshop before proposing this change.

Federalism (Executive Order 13132)

According to Executive Order 13132, this rule does not have Federalism implications. This rule does not substantially and directly affect the relationship between the Federal and State governments. This is a training rule that applies to lessees working on the OCS and amends current MMS regulations to provide increased training flexibility. Thus, this rule will not directly affect the relationship between the Federal and State Governments. This rule does not impose costs on State or localities because the rule applies only to the lessees working on the OCS.

Civil Justice Reform (Executive Order 12988)

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

Small Business Regulatory Enforcement Fairness Act (SBREFA)

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

(a) Does not have an annual effect on the economy of $100 million or more. The estimated yearly gross cost to the oil and gas industry to train its employees is $5,945,250. Based on a 12-year cycle, well-control students would normally take six basic courses (½ course per year), and production safety system students would take four basic courses (⅓ course per year). Therefore, the annual training cost to train 15,000 students in well control would be $3,975,000 ($530 × ½ course per year × 15,000 students). The annual training cost to train 15,000 students in a production safety system would be $1,955,250 ($395 × ⅓ course per year × 15,000 students). The total annual cost is $5,930,250. There may be additional costs to the lessees or contractors with poor performance records if MMS or its authorized representative conducts, or requires the lessee or contractor to conduct hands-on, simulator, or other types of testing. They will be required to pay for all costs associated with the testing, excluding salary and travel costs for MMS personnel.

We estimate that not more than 50 employees (industry-wide) per year, at a cost of $300 per employee, will be required to take the MMS hands-on, simulator, or other types of testing. The total cost for those employees should not exceed $15,000 per year.

We feel that the cost of complying with the final rule would be somewhat less than this amount.

(b) Will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions. Based on our experience, the training industry should not change significantly under a performance-based system. Because of lower overhead and competitive pricing in the industry, costs should remain stable; and

(c) Does not have significant adverse effects on competition, employment, investment, productivity, innovation, or ability of United States-based enterprises to compete with foreign-based enterprises.

Unfunded Mandates Reform Act (UMRA) of 1995 (Executive Order 12866)

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.

Paperwork Reduction Act (PRA) of 1995

We examined the proposed rule and these final regulations under section 3507(d) of the PRA. Because of the changes proposed to the current 30 CFR 250, Subpart O regulations, we submitted the information collection requirements to OMB for approval as part of the proposed rulemaking process. As the final rule contains minor changes in the collection of information, before publication, we again submitted the information collection to OMB for approval. In response to comments, we concluded that we significantly underestimated the burden for the primary paperwork aspect of the rule that requires lessees to develop ''training plans'' (§ 250.1503(b) and (c)). In our resubmission to OMB, the burden for this requirement is 60 hours per plan. The following two new requirements (associated hour burden is shown in parenthesis) are the only differences in the information collected under the final rule from that approved for the proposed rule:

- § 1502—Notify MMS if lessees implement the revised final regulations before the end of the 2-year transition period (1 hour).
- § 1503(c)—Provide copies of the training plan to MMS, if requested (5 hours).

The PRA provides that an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. OMB has approved the collection of information required in the final rule under OMB control number 1010–0128.

The title of this collection of information was changed to ''30 CFR 250, Subpart O Well Control and Production Safety Training'' to correspond with the revised title of the subpart. Responses are mandatory. The frequency of submission varies according to the requirement but is generally ''on occasion.'' We estimate there are approximately 130 respondents to this collection of information.

We use the collection of information required by these regulations to ensure that workers in the OCS are properly trained with the necessary skills to perform their jobs in a safe and pollution-free manner. In some instances, MMS will conduct oral interviews of offshore employees to evaluate the effectiveness of a company's training program. This information is necessary to verify training compliance with the requirements.

Reporting and Recordkeeping ''Hour'' Burden: The approved annual burden of this collection of information is 5,739 hours. Based on $50 per hour, we estimate the total ''hour'' burden cost to respondents to be $286,950.

Reporting and Recordkeeping ''Non-Hour Cost'' Burden: There are no ''non-hour cost'' burdens in the final regulations.

It should be noted that this final rule will not take full effect for 2 years from the effective date of the rule, but it allows for early implementation at the discretion of lessees. Therefore, we will continue to maintain approved information collections for the current Subpart O regulations (under OMB control number 1010–0078) as well as for these final regulations during the transition period.

Regulatory Flexibility (RF) Act

DOI certifies that this document will not have a significant economic effect on a substantial number of small entities under the RF Act (5 U.S.C. 601 *et seq.*). The Small Business Administration (SBA) defines a small business as having:

- Annual revenues of $5 million or less for exploration service and field service companies; and
- Fewer than 500 employees for drilling companies and for companies that extract oil, gas, or natural gas liquids.

Under SBA's Standard Industrial Classification (SIC) code 1381, Drilling Oil and Gas Wells, MMS estimates that there is a total of 1,380 firms that drill oil and gas wells onshore and offshore. Of these, approximately 130 companies are offshore lessees/operators, based on current estimates. According to SBA estimates, 39 companies qualify as large firms, leaving 91 companies qualified as small firms with fewer than 500 employees.

As explained in the PRA section, companies will be required to develop training plans. We estimate that the burden for developing these plans is approximately 60 hours each. If 91 lessees are small businesses, the burden would be 5,460 hours. At an average hourly cost of $50, the impact of this requirement is $273,000 on small businesses. Once the plan has been developed, there are no new costs for implementation.

The costs for an alternative training program would simply offset the current cost of sending employees to accredited schools. Alternative training provides both added flexibility and cost savings for companies who train their employees either onshore or offshore, at a centralized location, or during their off hours on a platform or drilling rig. It is expected that they would receive the same quality of training that they have been receiving for years. We estimate that the company may spend 5–10 ($250–$500) hours annually to update the plans. Thus, the annual cost for updating plans for small businesses is approximately $22,750 to $45,500. The cost for this update will be minimal.

A positive effect for the lessees under the new rule is that they will have increased options concerning where to get their training. This will change how a company does business. This should not result in any additional training costs or economic burdens. Under the final rule, the oil and gas industry will have the flexibility to tailor its training program to the specific needs of each company. Lessees will be given the added flexibility to determine the type of training, methodology (classroom, computer, team, on-the-job), length of training, frequency and subject matter content for their training program.

In addition to lessees, MMS currently regulates the training schools. There are 52 MMS-accredited training schools. We have approved 26 schools to teach production safety courses, 22 schools to teach well control courses, and 4 schools to teach both well control and production courses. The training companies best fit under the SIC 8249, and the criterion for small businesses is $5 million in revenue. Based on this criterion, 25 training companies will fall into the small business category.

Under these final regulations, we will no longer be accrediting training schools or imposing any regulatory burden. However, lessee personnel and the employees of contractors hired by the lessee will have to be trained and found competent in the duties associated with their particular job. Training schools that teach a broad range of vocational courses, in addition to MMS accreditation courses, and who provide quality training at a competitive price, should experience no significant change in their normal business, except the schools will no longer be burdened with MMS reporting and recordkeeping requirements.

Training schools that were previously MMS-accredited will benefit because their plans are in place and approved by MMS. Additionally, schools that have established a loyal customer-base will not be affected by the implementation of this rule. Therefore, this new provision will not cause prices to increase or decrease. Based on our experience, the failure rate of the schools in the offshore training industry should not change significantly under a performance-based program. Under the current regulations, we maintain a database that tracks training schools approved by the agency. Based on information from this database, less than 2 percent of the schools approved by MMS go out of business each year. Under the new rule, we expect this to remain the same. MMS experience has shown that because of lower overhead and competitive pricing, small training schools are just as capable as the larger schools at adapting to change.

Your comments are important. The Small Business and Agriculture Regulatory Enforcement Ombudsman and 10 Regional Fairness Boards were established to receive comments from small business 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.

Takings Implication Assessment (Executive Order 12630)

According to Executive Order 12630, the rule does not have significant takings implications. MMS determined that this rule does not represent a governmental action capable of interference with constitutionally protected property rights. Thus, a Takings Implication Assessment is not required under Executive Order 12630, Governmental Actions and Interference with Constitutionally Protected Property Rights.

National Environmental Policy Act (NEPA) of 1969

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

List of Subjects in 30 CFR Part 250

Continental shelf, Environmental impact statements, Environmental protection, Government contracts, Investigations, Mineral royalties, Oil and gas development and production, Oil and gas exploration, Oil and gas

reserves, Penalties, Pipelines, Public lands—mineral resources, Public lands—rights-of-way, Reporting and recordkeeping requirements, Sulphur development and production, Sulphur exploration, Surety bonds.

Dated: July 14, 2000.

Sylvia V. Baca,

Assistant Secretary, Land and Minerals Management.

For the reasons stated in the preamble, MMS amends 30 CFR part 250 as follows:

PART 250—OIL AND GAS AND SULPHUR OPERATIONS IN THE OUTER CONTINENTAL SHELF

1. The authority citation for part 250 continues to read as follows:

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

2. Subpart O is revised to read as follows:

Subpart O—Well Control and Production Safety Training

Sec.

§ 250.1500 Definitions.

Terms used in this subpart have the following meaning:

Employee means direct employees of the lessees who are assigned well control or production safety duties.

I or *you* means the lessee engaged in oil, gas, or sulphur operations in the Outer Continental Shelf (OCS).

Lessee means a person who has entered into a lease with the United States to explore for, develop, and produce the leased minerals. The term lessee also includes an owner of operating rights for that lease and the MMS-approved assignee of that lease.

Production safety means production operations as well as the installation, repair, testing, maintenance, or operation of surface or subsurface safety devices.

Well control means drilling, well completion, well workover, and well servicing operations. For purposes of this subpart, well completion/well workover means those operations following the drilling of a well that are intended to establish or restore production to a well. It includes small tubing operations but does not include well servicing. Well servicing means snubbing, coil tubing, and wireline operations.

§ 250.1501 What is the goal of my training program?

The goal of your training program must be safe and clean OCS operations. To accomplish this, you must ensure that your employees and contract personnel engaged in well control or production safety operations understand and can properly perform their duties.

§ 250.1502 Is there a transition period for complying with the regulations in this subpart?

(a) During the period October 13, 2000 until October 15, 2002 you may either:

(1) Comply with the provisions of this subpart. If you elect to do so, you must notify the Regional Supervisor; or

(2) Comply with the training regulations in 30 CFR 250.1501 through 250.1524 that were in effect on June 1, 2000 and are contained in the 30 CFR, parts 200 to 699, edition revised as of July 1, 1999, as amended on December 28, 1999 (64 FR 72794).

(b) After October 15, 2002, you must comply with the provisions of this subpart.

§ 250.1503 What are my general responsibilities for training?

(a) You must establish and implement a training program so that all of your employees are trained to competently perform their assigned well control and production safety duties. You must verify that your employees understand and can perform the assigned well control or production safety duties.

(b) You must have a training plan that specifies the type, method(s), length, frequency, and content of the training for your employees. Your training plan must specify the method(s) of verifying employee understanding and performance. This plan must include at least the following information:

(1) Procedures for training employees in well control or production safety practices;

(2) Procedures for evaluating the training programs of your contractors;

(3) Procedures for verifying that all employees and contractor personnel engaged in well control or production safety operations can perform their assigned duties;

(4) Procedures for assessing the training needs of your employees on a periodic basis;

(5) Recordkeeping and documentation procedures; and

(6) Internal audit procedures.

(c) Upon request of the Regional or District Supervisor, you must provide:

(1) Copies of training documentation for personnel involved in well control or production safety operations during the past 5 years; and

(2) A copy of your training plan.

§ 250.1504 May I use alternative training methods?

You may use alternative training methods. These methods may include computer-based learning, films, or their equivalents. This training should be reinforced by appropriate demonstrations and ''hands-on'' training. Alternative training methods must be conducted according to, and meet the objectives of, your training plan.

§ 250.1505 Where may I get training for my employees?

You may get training from any source that meets the requirements of your training plan.

§ 250.1506 How often must I train my employees?

You determine the frequency of the training you provide your employees. You must do all of the following:

(a) Provide periodic training to ensure that employees maintain understanding of, and competency in, well control or production safety practices;

(b) Establish procedures to verify adequate retention of the knowledge and skills that employees need to perform their assigned well control or production safety duties; and

(c) Ensure that your contractors' training programs provide for periodic training and verification of well control or production safety knowledge and skills.

§ 250.1507 How will MMS measure training results?

MMS may periodically assess your training program, using one or more of the methods in this section.

(a) *Training system audit.* MMS or its authorized representative may conduct a training system audit at your office. The training system audit will compare your training program against this subpart. You must be prepared to explain your overall training program and produce evidence to support your explanation.

(b) *Employee or contract personnel interviews.* MMS or its authorized representative may conduct interviews at either onshore or offshore locations to inquire about the types of training that were provided, when and where this training was conducted, and how effective the training was.

(c) *Employee or contract personnel testing.* MMS or its authorized representative may conduct testing at either onshore or offshore locations for the purpose of evaluating an individual's knowledge and skills in perfecting well control and production safety duties.

(d) *Hands-on production safety, simulator, or live well testing.* MMS or its authorized representative may conduct tests at either onshore or offshore locations. Tests will be designed to evaluate the competency of your employees or contract personnel in performing their assigned well control and production safety duties. You are responsible for the costs associated with this testing, excluding salary and travel costs for MMS personnel.

§ 250.1508 What must I do when MMS administers written or oral tests?

MMS or its authorized representative may test your employees or contract personnel at your worksite or at an onshore location. You and your contractors must:

(a) Allow MMS or its authorized representative to administer written or oral tests; and

(b) Identify personnel by current position, years of experience in present position, years of total oil field experience, and employer's name (e.g., operator, contractor, or sub-contractor company name).

§ 250.1509 What must I do when MMS administers or requires hands-on, simulator, or other types of testing?

If MMS or its authorized representative conducts, or requires you or your contractor to conduct hands-on, simulator, or other types of testing, you must:

(a) Allow MMS or its authorized representative to administer or witness the testing;

(b) Identify personnel by current position, years of experience in present position, years of total oil field experience, and employer's name (e.g., operator, contractor, or sub-contractor company name); and

(c) Pay for all costs associated with the testing, excluding salary and travel costs for MMS personnel.

§ 250.1510 What will MMS do if my training program does not comply with this subpart?

If MMS determines that your training program is not in compliance, we may initiate one or more of the following enforcement actions:

(a) Issue an Incident of Noncompliance (INC);

(b) Require you to revise and submit to MMS your training plan to address identified deficiencies;

(c) Assess civil/criminal penalties; or

(d) Initiate disqualification procedures.

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DEPARTMENT OF DEFENSE

Office of the Secretary

32 CFR Part 199

Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); Enhancement of Dental Benefits Under the TRICARE Retiree Dental Program

AGENCY: Office of the Secretary, DoD.

ACTION: Interim final rule with request for comments.

SUMMARY: This interim final rule implements section 704 of the National Defense Authorization Act for Fiscal Year 2000, to allow additional benefits under the retiree dental insurance plan for Uniformed Services retirees and their family members that may be comparable to those under the Dependents Dental Program. The Department is publishing this rule as an interim final rule in order to comply timely with the desire of Congress to meet the needs of retirees for additional dental coverage. Public comments are invited and will be considered for possible revisions to this rule at the time of publication of the final rule.

DATES: Effective August 14, 2000. Comments must be received on or before October 13, 2000.

ADDRESSES: Forward comments to: TRICARE Management Activity (TMA), Special Contracts and Operations Office, 16401 East Centretech Parkway, Aurora, CO 80011–9043.

FOR FURTHER INFORMATION CONTACT: Linda Winter, Special Contracts and Operations Office, TMA, (303) 676–3682.

SUPPLEMENTARY INFORMATION:

I. Background

The TRICARE Retiree Dental Program (TRDP), a voluntary dental insurance plan completely funded by enrollees' premiums, was implemented in 1998 to provide benefits for basic dental care and treatment based on the authority of 10 U.S.C. 1076c. Under the enabling legislation, the benefits that can be provided are limited to ''basic dental care and treatment, involving diagnostic services, preventative services, basic restorative services (including endodontics), surgical services, and emergency services.'' Accordingly, the implementing regulation, 32 CFR 199.22, limited coverage to the most common dental procedures necessary for maintenance of good dental health and did not include coverage of major restorative services, prosthodontics, orthodontics or other procedures considered to be outside of the ''basic dental care and treatment'' range.

Although the program was viewed as a major advance in offering dental coverage to retired members of the Uniformed Services and their family members at a very reasonable cost, there were still concerns that the enabling legislation was too restrictive in scope and that there should be expansion of services to better meet the needs of retirees.

Congress responded to these concerns by amending 10 U.S.C. 1076c with section 704 of the National Defense Authorization Act for Fiscal Year 2000, Pub. L. 106–065, to allow the Secretary of Defense to offer additional coverage. Under provisions of the amendment, the TRDP benefits may be ''comparable to the benefits authorized under section 1076a'' of title 10, the Dependents Dental Plan, commonly known as the TRICARE Family Member Dental Plan. Thus, in addition to the original basic services described above, which continue to be mandated, coverage of ''orthodontic services, crowns, gold fillings, bridges, complete or partial dentures, and such other services as the Secretary of Defense considers to be appropriate'' [10 U.S.C. 1076a(d)(3)] may be covered by the TRDP.

The language of section 704 of the National Defense Authorization Act for Fiscal Year 2000 is permissive and does not mandate such coverage. However, because of the many requests for additional TRDP coverage regardless of the inevitable increase in premiums, the DoD is proposing to expand the current coverage through a contractual arrangement. The premium cost of the enhanced coverage will remain the responsibility of the enrollees.

II. Provisions of the Interim Final Rule for Enhancement of TRDP Benefits

This interim final rule allows expansion of the TRDP benefits to be