

Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a Regulatory Evaluation, as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this proposed rule would not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, CLASS B, CLASS C, CLASS D AND CLASS E AIRSPACE AREAS; AIRWAYS; ROUTES; AND REPORTING POINTS

1. The authority citation for 14 CFR part 71 continues to read as follows:

Authority: 49 U.S.C. 106(g), 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959–1963 Comp., p. 389.

§ 71.1 [Amended]

2. The incorporation by reference in 14 CFR 71.1 of the Federal Aviation Administration Order 7400.9H, Airspace Designations and Reporting Points, dated September 1, 2000, and effective September 16, 2000, is amended as follows:

Paragraph 5000 Class D Airspace

* * * * *

AWP AZ D Chandler Municipal Airport, AZ [REVISED]

Chandler Municipal Airport, AZ
(Lat. 33°16'09" N, long. 111°48'40" W)
Williams Gateway Airport, AZ
(Lat. 33°18'28" N, long. 111°39'19" W)

That airspace extending upward from the surface to, but not including, 3,000 feet MSL within a 4-mile radius of Chandler Municipal Airport, excluding the portion within the Williams Gateway Airport, AZ, Class D airspace area. This Class D airspace area is effective during the specific dates and times established in advance by a Notice to Airmen. The effective date and time will thereafter be continuously published in the Airport/Facility Directory.

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Issued in Los Angeles, California, on May 21, 2001.

John Glancy,

Manager, Air Traffic Division, Western-Pacific Region.

[FR Doc. 01–14106 Filed 6–4–01; 8:45 am]

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DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Parts 206, 210, 216, and 218

RIN 1010–AC86

Solid Minerals Reporting Requirements

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Proposed rule.

SUMMARY: MMS is proposing to revise its solid minerals reporting regulations. The new reporting requirements would replace several existing information collections and decrease the reporting burden for solid mineral reporters. The new requirements would also improve MMS's ability to verify that revenues due the government have been paid correctly under applicable laws, regulations and lease terms.

EFFECTIVE DATE: Comments must be submitted on or before July 5, 2001.

ADDRESSES: Address your comments, suggestions, or objections regarding this proposed rule to:

By regular U.S. mail. Minerals Management Service, Minerals Revenue Management, Regulations and FOIA Team, P.O. Box 25165, MS 320B2, Denver, Colorado 80225–0165; or

By overnight mail or courier. Minerals Management Service, Minerals Revenue Management, Building 85, Room F421, Denver Federal Center, Denver, Colorado 80225; or

By e-mail. MRM.comments@mms.gov. Please submit Internet comments as an ASCII file and avoid the use of special characters and any form of encryption. Also, please include "Attn: RIN 1010–AC86" and your name and return address in your Internet message. If you do not receive a confirmation that we have received your Internet message, call the contact person listed below.

FOR FURTHER INFORMATION CONTACT: Paul A. Knueven, Chief, Regulations and FOIA Team, Minerals Revenue Management, MMS, telephone (303) 231–3316, fax (303) 231–3385, or e-mail MRM.comments@mms.gov.

SUPPLEMENTARY INFORMATION: MMS is limiting the comment period for this proposed rulemaking to 30 days in order

to receive comments from the public, make adjustments, and issue a final rule as quickly as possible. Solid mineral reporters need to know our final reporting requirements as much in advance of the October 1, 2001, effective date as possible in order to train employees and modify existing reporting procedures. The date for implementing the reporting changes in this proposed rulemaking cannot be delayed because MMS will be installing its new computer system as of October 1, 2001.

The principal authors of this rule are Glenn W. Kepler, Sr., Cynthia Stuckey, and Herb Wincentsen, of Solid Minerals and Geothermal Compliance and Asset Management, Minerals Revenue Management, MMS, and Geoffrey Heath of the Office of the Solicitor, Department of the Interior.

I. Background

In April 1996, MMS initiated a reengineering effort to examine our compliance strategy and determine the best approach for the future. In April 1997, we decided to move beyond compliance and reengineer all of our core business processes including our reporting and financial processes. In November 1998, we initiated an operational model for solid minerals to test proposed reengineered business processes and new reporting formats. Our two major goals were as follows:

1. Reduce our compliance time frame from 5 or 6 years to 3 years or less; and
2. Develop and implement more efficient, less burdensome reporting requirements.

We included State and tribal partners from four States and two Indian tribes as full participating members in the operational model. We sought input on our reengineering efforts from MMS's Royalty Policy Committee (RPC), Coal Subcommittee, which is comprised of representatives from industry, States, tribes, and the public. We provided periodic updates to the Coal Subcommittee throughout our reengineering efforts. Each of the solid mineral model respondents was a member of the RPC Coal Subcommittee.

We began the solid minerals operational model with 6 large coal companies that initially reported on 17 mines. These mines included 72 Federal and Indian coal leases and over 40 percent of Federal and Indian coal production. We requested that the original 6 coal companies participate in our reengineering efforts because of the different compliance scenarios their mines presented for testing. For example, these mines included coal washing operations, arm's-length and

non-arm's-length sales, free-on-board destination sales, and transportation allowances. In late 2000, we expanded the model to include two additional coal mines and two Indian sand and gravel operations.

On November 24, 1998, the Office of Management and Budget (OMB) approved our emergency information collection request (OMB Control Number 1010-0120) to collect and test reporting formats and frequencies in the solid minerals operational model. This approval included the use of three forms: Form MMS-4430, Solid Minerals Production and Royalty Report; Form MMS-4431, Facility Report; and Form MMS-4432, Marketing Profile. A revised information collection request was submitted to OMB which eliminated Forms MMS-4431 and MMS-4432 because we found industry could submit data using their own internal reports. OMB approved this revision.

During the model, we asked participants whether our reengineered reporting formats were the best option. Several of the model participants responded with letters supporting Form MMS-4430. Some of the reasons given for their support are as follows:

- Form MMS-4430 is designed to collect the appropriate information from solid mineral lessees at the appropriate time in the business cycle;
- Form MMS-4430 and the three other data collections replace eight separate forms that companies are currently required to file;
- Form MMS-4430 allows for the net reporting of prior period adjustments thus reducing reporting burden by approximately 40 percent; and
- Form MMS-4430, as designed, reduces reporter burden and enhances the accuracy of the data submitted because many fields are automatically populated with and edited against data that MMS maintains.

Because of the success of the operational model, MMS is proposing to revise our reporting requirements for coal and other solid minerals to include all solid mineral reporters in our reengineered compliance process. We believe these requirements will reduce the reporting burden currently placed on industry and enhance our ability to verify that proper royalties were paid.

II. Reasons for Revising Reporting Requirements

The new reporting requirements presented in this proposed rulemaking would replace eight existing royalty and production forms with a single form and three other data collections.

Form MMS-4430, Solid Minerals Production and Royalty Report

Our proposed Form MMS-4430 would provide many improvements over existing reporting requirements including:

- *No reporting of codes or converted lease numbers.* No product, transaction or adjustment reason codes would be required on Form MMS-4430. Also, we would use the Bureau of Land Management's (BLM) lease serial number rather than MMS's converted lease number. This would reduce the time required for a reporter to complete the form but provide the same substantive information.
- *Net adjustments reporting.* The proposed Form MMS-4430 would allow net reporting so that you would report only the net change in a transaction. Thus, it would eliminate double line entry (that is, line reversal and reentry) when reporting an adjustment.
- *Electronic reporting.* Our proposed Internet submission of Form MMS-4430 is consistent with our electronic reporting rule for oil and gas leases at 30 CFR parts 210 and 216. Like the oil and gas rule, this would help meet our paperwork reduction goals and reduce our costs associated with document handling. Also, a reporter would be able to access online its historical production and royalty data.
- *Form functionality.* Our proposed Form MMS-4430 would provide several features that would contribute to reduced reporting burden and error-free submissions. First, the proposed form would combine most production and royalty reporting into a single form. Second, the proposed form would automatically populate various static data fields that are essential to the production and royalty reporting process, including lease number, royalty rate, and products produced. Third, our form would provide arithmetic functions and built-in tools to provide support for mine production and sales allocations back to the individual leases. Fourth, our proposed form would contain electronic edits (internal integrity checks). These edits would prevent the submission of forms containing errors or omissions resulting from oversight or data entry error. Reporter burden, as well as MMS burden, associated with error correction should decrease significantly.
- *Eliminate compliance issues from reports.* The proposed Form MMS-4430 would eliminate selling arrangement codes that are the source of many compliance issues. We would determine arm's-length and non-arm's-length transactions through the other

document submissions discussed below. Further, many solid mineral producers, particularly of coal and metals, have contract provisions that allow for price true-up after the initial sale. Such price true-ups are not normally interest-bearing if they are invoiced timely to the purchaser and if royalty is timely paid. Our proposed form would permit the reporter to indicate on the form that the retroactive price adjustment is not interest-bearing. Our compliance process would determine whether further review of the reported retroactive price adjustment is necessary.

- *Eliminate BLM's collection of supplementary information.* During BLM's production verification duties, BLM often supplements the data we provide with additional mine data collected from the producer. Our proposed Form MMS-4430 would collect total mine production and sales data. We believe collecting all of the data needed in one data submission will reduce reporter burden and assist BLM with its production verification duties.

- *Create a central database for all lease/mine information accessible to all BLM offices nationwide.* Data that MMS collects would be immediately accessible to BLM offices nationwide and would eliminate delays found in existing interagency data-sharing processes.

- *Collect lease-level data for the entire mine.* Form MMS-4430 would collect lease-level production and sales value and volume information for the entire mine (including non-Federal and non-Indian production data). These data were not previously collected in any of our existing forms. Unlike oil and gas lease production occurring from units, communitization agreements or participating agreements, solid mineral lease production from within a mine constantly varies as production panels and pits shift across leases. A basic compliance requirement is to assure that the revenues generated from the mine's sales are allocated to the lease where the production occurred. During the course of a royalty compliance audit, we would normally verify production allocation. Under our reengineered compliance strategy, we would conduct this compliance check contemporaneously.

Other Proposed Data Collections

In addition to Form MMS-4430 described above, we are proposing three other regular data submissions by reporters. These proposed information collections are contract submissions (for certain minerals), sales summaries, and facility data. This data is created and maintained by the reporter as part of its

normal business practices. Our goal is to utilize the same data the reporter uses, thus eliminating the need for additional information gathering and preparation. These other data submissions would replace several existing form-based data submissions and would also provide us earlier access to the information normally collected in the audit process.

We need the three associated data submissions as well as the Form MMS-4430 because each individual form or document, standing alone, cannot provide the data necessary to monitor compliance contemporaneously. For example, we removed the selling arrangement code from Form MMS-4430 because other data submittals such as contract documents and sales summaries would provide us information on affiliate sales. The same compliance follow-up would occur had the lessee reported selling arrangement code 200 (non-arm's-length sales) on the Form MMS-2014, Report of Sales and Royalty Remittance. Another example is the elimination of several production reports, including the Form MMS-4060, Solid Minerals Facility Report Parts A and B. Facility data that the reporter uses as part of its internal process to monitor processing operations would supplant this production report. We believe this approach is less burdensome to the reporter yet results in equal or better data collected on mineral processing operations.

III. Analysis of Regulatory Changes

Part 206—Product Valuation

Almost all of the amendments in part 206 would be nomenclature changes. First, the "Royalty Management Program" reorganized and changed its name to "Minerals Revenue Management" effective October 1, 2000. We would insert the new name of our organization, wherever the old name occurs, and change management titles and the names and addresses of internal working groups that were also affected by the reorganization. Second, we would replace "Form MMS-2014" with "Form MMS-4430" to reflect the proposed reporting requirements in this rulemaking. You will see many of these types of changes throughout the remainder of this proposed rulemaking so they will not be discussed again.

In addition, we propose to remove the requirements in §§ 206.254(a) and 206.453(a) to report quality data on solid minerals because the existing production forms that capture quality data would be eliminated. Therefore, we have inserted more new comprehensive quality requirements for sales summary data in § 210.202 which is summarized

in a table. We would also remove §§ 206.263 and 206.462 because the requirement to submit sales contracts in these two sections duplicate or contradict our proposed reporting requirements. The procedures for valuing coal and other solid minerals for royalty purposes would not be affected by this proposed rule.

Part 210—Forms and Report

Subpart A—General Provisions

Section 210.10 Information Collection

We would revise § 210.10 to add our proposed information collections to the list of collections approved by the Office of Management and Budget (OMB) and remove other information collections eliminated by this rulemaking. See our discussion of §§ 210.200 through 210.205 below for a complete explanation of the new reporting requirements.

Subpart E—Solid Minerals, General

We would remove existing §§ 210.200 through 210.204 because they pertain to forms that would be eliminated in this proposed rulemaking. We would add new §§ 210.200 through 210.205 to explain our proposed reporting requirements.

Section 210.200 What Is the Purpose of This Subpart?

This section would explain that the purpose of this subpart is to specify your production and royalty reporting requirements for Federal and Indian solid mineral leases.

Section 210.201 How Do I Submit Form MMS-4430, Solid Minerals Production and Royalty Report?

What to submit. We would add this section to explain the requirements to submit Form MMS-4430. Form MMS-4430 would replace Form MMS-2014, Report of Sales and Royalty Remittance, and Form MMS-4059, Solid Minerals Operations Report Parts A and B.

Form MMS-4430 would significantly change what data is reported to MMS using a form. For production that is processed prior to sale (e.g., washed coal, soda ash, potash, or metal concentrates), you would not report the raw ore production volumes on Form MMS-4430. You would only report the tons that are actually sold and on which royalty is due. For example, if you produce 1,600 tons of trona ore and you refine 1,000 tons of soda ash from that raw production, you would only report the tons of soda ash produced and, separately, the tons sold and the sales proceeds. Raw production and the associated processing activity would be

captured on another data submission. This submission called "facility data" is discussed later in this preamble.

Proposed Form MMS-4430 would eliminate reporting of specific but related products and, instead, group related products into a family of products. For example, potash producers, instead of reporting muriates of potash (chemical, coarse, fine, granular, industrial, soluble, or standard) as required by current reporting instructions, would group these muriates of potash and report production only as potash.

Form MMS-4430 also incorporates a new reporting requirement based on the use of remote storage and sales points. If you move unsold production to five or fewer remote storage sites and conduct sales from those sites, you would be required to report the sales for each site separately on the Form MMS-4430. If you conduct sales from more than five remote storage sites, you would be required to combine the sales from all sites on one Form MMS-4430. Our experience from the solid minerals operational model showed that some producers move production, unsold, from the mine to distant points such as from Utah coal mines to the Port of Los Angeles Export Terminal. Producers ship coal to this port facility over several months until a sufficient quantity of coal has accumulated to supply a vessel sale. These remote storage and sales points operate similarly to a mine, gaining and losing inventory based on sales activities. However, inventories at remote storage sites function independently of the mine's inventories. Thus, when a sale occurs at the remote storage site, the allocations of sales proceeds back to the leases would be different from the sales occurring at the mine. Because Form MMS-4430 includes inventory management functions, the sales from five or fewer remote storage sites would be reported separately on the Form MMS-4430.

When to submit. Form MMS-4430 would be due at the end of the month following the month activity occurs assuming your lease requires royalty payments on a monthly cycle. If your lease requires a different royalty payment cycle, you would submit this form at the same time your payment is due in accordance with your lease terms. If the information on a previously reported Form MMS-4430 is incorrect, you must submit a revised report by the end of the month in which you discover the error.

How to submit. Form MMS-4430 would be submitted to MMS using the Internet. The production and royalty

module associated with this Internet application would allow solid mineral reporters to submit and maintain solid mineral data via the Internet for the first time. A system user would be furnished a valid log-in identification and password. MMS's Internet application would handle all security and authentication required by system users.

We have provided two exceptions to the electronic reporting requirement to prevent undue burden on small businesses. One, you would not be

required to report electronically if you report only annual obligations such as rent or minimum royalty. Two, you would not be required to report electronically if you are a small business, as defined by the U.S. Small Business Administration, and you have no computer and no plans to purchase a computer or contract with an electronic reporting service.

Section 210.202 How Do I Submit Sales Summaries?

What to submit. We intend to collect the sales summary data in the least burdensome manner. This means, to the extent possible, using information that you, as a solid minerals reporter, have already generated as part of your normal business practices. The following table summarizes the sales summary data elements you would be required to submit for a specific lease type or mineral:

Data element	Coal	Sodium/potassium	Western phosphate	Metals	All other leases with ad valorem royalty terms	All other leases with no ad valorem royalty terms
Purchaser name or unique ID.	Monthly	As requested	Monthly	Monthly	Monthly	As requested.
Sales units	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly.
Gross proceeds	Monthly	Monthly	Not required	Monthly	Monthly	Not required.
Processing or washing costs.	Monthly	Monthly	Not required	Monthly	Monthly	Not required.
Transportation costs.	Monthly	Monthly	Not required	Monthly	Monthly	Not required.
Name of product type sold.	Not required	Monthly	Not required	Monthly	Monthly	As requested.
Btu/lb	Monthly	Not required	Not required	Not required	Not required	Not required.
Ash %	Monthly	Not required	Not required	Not required	Not required	Not required.
Sulfur %	Monthly	Not required	Not required	Not required	Not required	Not required.
lbs SO ₂	Monthly	Not required	Not required	Not required	Not required	Not required.
Moisture %	Monthly	Not required	Monthly	Not required	Not required	Not required.
By-product units	Not required	As requested	Monthly	As requested	As requested	Not required.
P ₂ O ₅ %	Not required	Not required	Monthly	Not required	Not required	Not required.
Size	Monthly	Not required	Not required	Not required	As requested	Not required.
Net smelter return data.	Not required	Not required	Not required	Monthly	Not required	Not required.
Other data e.g., royalty calculation worksheet.	As requested	Monthly	As requested	As requested	As requested	As requested.

When to submit. For leases with ad valorem royalty terms, you would be required to submit sales summaries monthly. For leases with no ad valorem royalty terms (that is, leases with royalty terms that do not depend upon sales value to determine royalty due such as cents-per-ton or dollars-per-unit), you would submit sales summaries monthly only if you are specifically requested to do so.

How to submit. Sales summary data is not submitted on a form. Sales summary data would be submitted in the same format the producer uses. Our experience from the solid minerals operational model shows that most companies maintain sales summary data using off-the-shelf spreadsheet software such as Microsoft Excel. We would prefer that you submit these data electronically, using electronic mail. Electronic submission of data allows us to transfer that data to our internal systems and formats for analysis. We would establish an electronic mailbox for receipt of these data. We would also

accept sales summary data in paper copy; however, this approach is not preferred because of the additional cost, handling and storage burden.

Section 210.203 How Do I Submit Sales Contracts?

What to submit. You would be required to submit sales contracts, agreements, contract amendments or other documents that affect gross proceeds received for the sale of lease production.

When to submit. You would be required to submit sales contracts, agreements, contract amendments or other documents affecting gross proceeds as follows:

- If you produce Federal or Indian coal, you would submit your sales contracts to us quarterly. Contracts or contract amendments entered into during the preceding quarter would be submitted to us whether or not sales under that contract had commenced.
- If you produce sodium or potassium compounds from Federal or Indian

leases, you would submit sales contracts to us quarterly only if requested by MMS. We are proposing less frequent contract submission for sodium and potassium producers because most sodium and potassium products are sold in refined form that have identical quality from month to month and from customer to customer. Thus, many of the pricing issues related to quality variables that appear in coal and metal concentrate contracts do not occur in sodium and potassium sales agreements.

- Phosphate producers consume most, if not all, production internally in complex chemical processing plants, which produce elemental phosphorus and different fertilizer compounds. MMS determines value in these cases using a non-arm's-length valuation process. However, some phosphate ore by-products are produced and sold at arm's-length. For these sales, you would submit sales contracts quarterly only if requested by MMS.
- If you produce metals from Federal or Indian leases, you would submit your

sales contracts (typically net smelter return contracts) to us quarterly.

- If you produce from any other ad valorem lease, you would submit sales contracts on a quarterly basis only if requested by MMS. Minerals in this category vary considerably and include, for example, garnets, limestone, gilsonite, quartz crystals, and some sand and gravel leases.

- If you produce from any other lease with no ad valorem royalty terms—that is, leases in which the royalty due is not dependent upon sales price such as cents-per-ton or dollars-per-unit—you would not be required to submit sales contracts.

How to submit. You would be required to submit paper copies of your contracts to us using either courier service or the U.S. Postal Service and the addresses in § 210.203(c).

Section 210.204 How Do I Submit Facility Data?

What to submit. We are proposing to eliminate the Form MMS-4060, Solid Minerals Facility Report Parts A and B, relating to solid mineral processing operations. We would replace the data normally supplied on these forms with other types of facility data. The facility data you would supply would include the total throughput of the plant, including Federal, Indian, non-Federal, and non-Indian lease production. This approach to collecting facility data is consistent with the physical operations of processing plants because production from the various leases in the mine is normally commingled at the time the production is input to the plant.

How to submit. Facility data would not be submitted on a form. Generally, facility data would be submitted in the same format normally used by the producer because all producers who process solid minerals prior to sale maintain records of processing plant operations. As a minimum, your facility data submissions must include identification of your facility, the mines served, input quantity, output quantity, and output quality or product grades. We would prefer that you submit these data electronically, using electronic mail. Electronic submission of data allows us to transfer data to our internal systems and formats for analysis. We would establish an electronic mailbox for receipt of these data. We would also accept facility data in paper copy; however, this approach is not preferred because of the additional costs, handling and storage burden.

When to submit. You would be required to submit monthly facility data for the following leaseable minerals:

1. *Coal*—If you wash coal, you would submit facility data.

2. *Sodium or potassium*—If you refine sodium or potassium products, including dissolution, crystallization, compacting, or other processing to make products to which ad valorem royalty terms apply, you would submit facility data.

3. *Metals*—If you concentrate metal-bearing ores to produce a metal concentrate to which ad valorem royalty terms apply, you would submit facility data.

4. *All other ad valorem lease production*—If you process raw lease production through any form of a beneficiation, concentration, or any other mineral processing prior to sale, and ad valorem royalty terms apply to the value of the processed product, you would submit facility data.

Section 210.205 Do I Need To Submit Additional Documents or Evidence to MMS?

We added this section to emphasize that Federal and Indian lease terms allow us to request other information to support our compliance activities; however, we will request the additional information only as needed, not as a regular submission.

Part 216—Production Accounting

Subpart A—General Provisions

Section 216.11 Electronic Reporting

We would revise § 216.11 to add the reference to electronic reporting requirements for Form MMS-4430.

Section 216.15 Reporting Instructions

We would revise § 216.15 to inform solid minerals reporters where they may obtain solid mineral reporting instructions.

Section 216.16 Where to Report

In § 216.16, we would add MMS addresses where reporters would send paper reports for solid mineral leases.

Section 216.21 General Obligations of the Reporter

We would revise § 216.21 to remove the references to the Production Accounting and Auditing System (PAAS) because it will be replaced by a new system effective October 1, 2001.

Section 216.40 Assessments for Incorrect or Late Reports and Failure to Report

We would revise § 216.40 to include assessments for lines related to production reported on the Form MMS-4430.

Sections 216.200 through 216.204

We would remove §§ 216.200 through 216.204 that describe existing reports and reporting requirements. These reports would be eliminated by the proposed information collection in this rule.

Part 218—Collection of Royalties and Rentals, Bonuses and Other Monies Due the Federal Government

Section 218.40 Assessments for Incorrect or Late Reports and Failure To Report

We would revise § 218.40 to add assessments for lines related to royalty reported on the Form MMS-4430. We are also making a technical correction to remove assessments under this section with respect to oil and gas leases. Assessments for oil and gas leases for chronic erroneous reporting are now governed by 30 U.S.C. 1725, enacted as part of the Federal Oil and Gas Royalty Simplification and Fairness Act of 1996.

Section 218.51 How to Make Payments

We would make nomenclature and address changes as necessary.

Section 218.201 Method of Payment

We would refer solid mineral reporters to § 218.51 for reporting instructions except that:

(1) The definition of “report” would be Form MMS-4430, rather than Form MMS-2014;

(2) Solid mineral reporters would include both their customer identification and customer document identification numbers on their payment document, rather than the information required under § 218.51(f)(1); and

(3) For rental payments not reported on Form MMS-4430, solid mineral reporters would include the MMS Courtesy Notice, when provided, or write their customer identification number and government-assigned lease number on the payment document, rather than the information required under § 218.51(f)(4)(iii).

Section 218.203 Recoupment of Overpayments on Indian Mineral Leases

We would make nomenclature and address changes as necessary.

IV. Procedural Matters

1. Public Comment Policy

Our practice is to make comments, including names and home addresses of respondents, available for public review during regular business hours and on our Internet site at www.mrm.mms.gov. Individual respondents may request that we withhold their home address from the rulemaking record, which we will

honor to the extent allowable by law. There also may be circumstances in which we would withhold from the rulemaking record a respondent's identity, as allowable by law. If you wish us to withhold your name and/or address, you must state this prominently at the beginning of your comments. However, we will not consider anonymous comments. We will make all submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses, available for public inspection in their entirety.

2. Summary Cost and Benefit Data

We have summarized below the economic impacts of this rule on the groups affected by our regulations: Industry, State and local governments, Indian tribes and allottees, and the Federal Government. All costs summarized below are associated with reporting changes. As stated previously, this rule does not affect the valuation—for royalty purposes—of Federal or Indian coal or other solid minerals. The cost and benefit information in this Item 2 of Procedural Matters is used as the basis for the Departmental certifications in Items 3–12.

A. Industry

The effect of the information collection changes in this proposed rulemaking would be a net savings of \$173,000 per year for all solid minerals reporters, calculated as follows:

Cost—New Information Collection. We estimate that there are 200 solid mineral lessees who are required to report production and royalty information to us. Using the annual reporting burden experienced by the participants in the operational model, we estimate the annual cost of the new information collection proposed in this rulemaking to be \$68,100, calculated as follows:

Form MMS-4430. The average reporting burden for completing Form MMS-4430 is 20 minutes per month. We estimate that all 200 solid minerals lessees will submit Form MMS-4430, and that this annual reporting burden will be 800 hours (200 lessees × 1/3 hour per month × 12 months).

Sales summaries. The average reporting burden for sales summaries is 15 minutes per month. We estimate that 120 lessees will submit sales summary data and that this annual reporting burden will be 360 hours (120 lessees × 1/4 hour per month × 12 months).

Facility data. The average reporting burden for facility data is 15 minutes per month. We estimate that 30 lessees

will submit facility data and that this annual reporting burden will be 90 hours (30 lessees × 1/4 hour per month × 12 months).

Contracts and contract amendments. Contracts and contract amendments will be copied and sent to MMS. The average reporting burden for providing contracts and contract amendments to us is 1 hour. We estimate that 90 lessees (predominantly coal companies) will submit contracts and contract amendments. Consequently, the annual reporting burden is 90 hours (90 lessees × 1 hour per year).

Additional documents or evidence. Federal and Indian lease terms allow us to request detailed statements, documents, or other evidence that supports our compliance and asset management responsibilities. We will request this additional information as we need it, not as a regular submission. We estimate that 10 percent of the 200 solid minerals lessees, or 20 lessees, will submit this additional information annually, and that each lessee will require 1 hour to submit this information for a total annual reporting burden of 20 hours.

Method of Payment. Each payment document associated with Form MMS-4430 (Electronic Funds Transfer or hard copy check) must be annotated with the lessee's customer identification and the customer document identification numbers. For each rental payment document not reported on Form MMS-4430, the lessee must include the MMS Courtesy Notice, when provided, or annotate the payment document with the customer identification number and Government-assigned lease number. This requirement will help MMS link payments with Form MMS-4430 submittals.

The annual reporting burden for all of these documents is summarized below:

Document name	Estimated hours to prepare and submit	Total cost hrs × \$50/hr
Form MMS-4430 ..	800	\$40,000
Sales summaries ..	360	18,000
Facility data	90	4,500
Contracts and subsequent amendments	90	4,500
Other documents ..	20	1,000
Method of payments	2	100
Total	1,362	\$68,100

Cost—Planning Meetings. Submitting this information to us will not require an initial capital cost by the respondent. We will meet with each reporter's information technology staff to

coordinate computer-related issues with the implementation of this information collection and to assist us in developing software requirements and describing the company's hardware and software configuration. We will provide the necessary electronic reporting software interface with our financial and production application systems for the companies to submit the required information.

Benefit—Eliminating Eight Existing Reports. MMS currently requires solid minerals reporters to submit eight separate forms:

1. Form MMS-4030, Payor Information Form (PIF), OMB Control Number 1010-0064. This form is used to establish and maintain the payor accounts required for processing Form MMS-2014. Estimated annual burden hours are 173.

2. Form MMS-2014, Report of Sales and Royalty Remittance, OMB Control Number 1010-0022. This form serves as the monthly report form on which payors report all royalty and lease-level transactions. Estimated annual burden hours for solid mineral payors are 1,884.

3. Form MMS-4050, Mine Information Form (MIF), OMB Control Number 1010-0063. This form is used to establish and maintain mine-level production reporting. Estimated annual burden hours for forms in this number 3 and numbers 4 through 8 below are 2,763.

4. Form MMS-4051, Facility and Measurement Information Form (FMIF), OMB Control Number 1010-0063. This form is used to establish and maintain facilities in the volume-tracking system including identifying key sales/transfer measurement points that are required to track production and identify all secondary processing and remote storage facilities.

5. Form MMS-4059-A, Solid Minerals Operations Report, Part A (SMOR-A), OMB Control Number 1010-0063. This form is used to identify, for a mine, the quantity and quality of all raw material produced from each Federal or Indian lease, specify the disposition of those raw materials including sales, transfers, and adjustments, and track raw material inventories.

6. Form MMS-4059-B, Solid Minerals Operations Report, Part B (SMOR-B), OMB Control Number 1010-0063. This form is used to allocate sales from a secondary processing or remote storage facility back to individual Federal or Indian leases within a mine.

7. Form MMS-4060-A, Solid Minerals Facility Report, Part A (SMFR-A), OMB Control Number 1010-0063. This form is used to provide detailed

information on a secondary processing facility's inputs/outputs.

8. Form MMS-4060-B, Solid Minerals Facility Report, Part B (SMFR-B), OMB Control Number 1010-0063. This form is used to show a secondary processing or remote storage facility's raw material receipts, production, inventory, and disposition.

These eight forms would be replaced by Form MMS-4430 and other data submissions described in the cost section above. The combined annual burden that will be eliminated if these eight forms are no longer submitted by solid mineral reporters is 4,820 hours or a total cost of \$241,000. The effect of replacing these eight forms with the new information collection (costing \$68,100) would be an estimated savings of \$173,000 per year.

Issues Affecting Small Businesses. Approximately 200 solid mineral reporters submit forms and other information to MMS, 91 percent of which are small businesses because they have 500 employees or less. As noted earlier, the effect of the information collection changes in this proposed rulemaking would be a net savings of \$173,000 per year for all solid minerals reporters. We expect small businesses to benefit proportionately from the reduction in reporting burden.

Using the experience gained through the model, our reengineered initiative ensures that the information requested is the minimum necessary and places the least possible burden on industry. We have further provided two exceptions to the requirement to submit the Form MMS-4430 electronically to avoid placing undue burden on small businesses. You would not be required to report electronically if you report only annual obligations such as rent or minimum royalty. Further, you would not be required to report electronically if you are a small business, as defined by the U.S. Small Business Administration, and you have no computer and no plans to purchase a computer or contract with an electronic reporting service. For other data submissions, respondents including small businesses or other small entities would have the flexibility to submit information to us via hard copy or electronic submissions.

During the summer 2001, we plan to hold several seminars to explain the revised reporting requirements. We will encourage all solid mineral lessees to attend one of these seminars to familiarize themselves with the revised reporting requirements and to prepare to implement these requirements.

We will meet with each company's information technology staff to assist in

setting up hardware and software configuration. We plan to provide the necessary electronic reporting software that will interface with our financial and production application systems. We will also cover the cost associated with the development and implementation of the reporting software. We will provide any initial software formatting or other assistance needed to get a company ready to comply with the new information collection proposed in this rule by October 1, 2001.

B. State and Local Governments

This rulemaking would not impose any additional costs on State or local governments.

C. Indian Tribes and Allottees

This rulemaking would not impose any additional costs on Indian tribes or allottees.

D. Federal Government

MMS is reengineering its financial and compliance processes to transform its function-based program to a process-centered organization. The new reengineered MMS will be highly integrated and positioned to provide royalty management services at less cost to the Nation. Some of the more important goals for the reengineering initiative include cutting in half the time necessary to collect and verify mineral revenues, distributing revenue to States and Indian mineral owners within 1 business day, reducing industry reporting requirements, and modernizing our computer and software systems.

We are undertaking this reengineering initiative because new legislative mandates, such as the Federal Oil and Gas Royalty Simplification and Fairness Act of 1996, and market changes require MMS to replace its outdated computer systems to facilitate a more cost-effective operation. MMS expects significant reduction in annual operating costs of administration, accelerated cash flows through reductions in current business cycle times, and increased revenue through improved compliance coverage.

Although all benefits of this rulemaking cannot be quantified at this time, the Federal Government should see significant savings and far greater efficiencies.

The quantifiable costs and benefits of this proposed rulemaking to the Federal Government is a cost of \$424,700 in the first two years after this rule is effective and a savings of \$20,800 each year thereafter, as calculated below.

Benefit—Personnel. We estimate that Solid Minerals and Geothermal

Compliance and Asset Management's 23 employees will allocate about 10 percent of their time to collect and analyze contracts, sales summaries, and facility data required by this rulemaking for a total cost of \$239,200 (2.3 employees × 2,080 hours/year × \$50/hour) annually. However, under current reporting processes, Solid Minerals and Geothermal Compliance and Asset Management allocates the equivalent of 2.5 employees annually to error correction. Under this rulemaking error correction is expected to be negligible. Therefore this rulemaking nets no additional personnel cost but rather a minimal savings of .2 employees or \$20,800 (.2 employees × 2,080 hours/year × \$50/hour) annually.

These employees will also resolve compliance issues using end-to-end processes that eliminate handoffs that would otherwise occur between functionally aligned units which also improves efficiencies.

This rule would allow substantial administrative dollar savings to MMS. Owing to the elimination of eight separate reporting forms under this proposed rule, MMS can utilize its solid minerals personnel more efficiently and effectively for verification of mineral revenues. Solid minerals personnel would review and process only one reporting form in place of eight existing reporting forms, which would result in associated reductions in error corrections, document handling issues, data entry problems, and time spent correcting those issues with industry personnel.

Cost—Computer software. MMS is also building a computer platform and associated database as the host for data collected. This computer platform, and associated cost to MMS, will involve data from the Onshore, Offshore, and Solid Minerals Operational Models and all exception processing and compliance activity. We estimate the cost for the solid minerals portion of the new computer system to be about \$445,500 within the first and second years after implementation of this rule or \$891,000 over 2 fiscal years ($\$891,000 \div 2 = \$445,500$).

MMS has allocated the cost of its solid minerals portion of the new computer system in its reengineering budget requests. Accordingly, MMS will not need additional funds for computer systems as a result of the provisions proposed in this rulemaking.

3. Regulatory Planning and Review (Executive Order 12866)

This document is not a significant rule and is not subject to review by the

Office of Management and Budget 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.

(2) This rule will not create a serious inconsistency or otherwise interfere with an action taken or planned by another agency.

(3) This rule does not alter the budgetary effects of entitlements, grants, user fees, or loan programs or the rights or obligations of their recipients.

(4) This rule does not raise novel legal or policy issues.

4. Regulatory Flexibility Act

The Department of the Interior certifies that this document will not have a significant adverse effect on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). For additional information on small business issues, see the cost and benefit data in item 2 of these Procedural Matters.

Your comments are important. The Small Business and Agricultural 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 in this rule, call 1-888-734-3247.

5. Small Business Regulatory Enforcement Act (SBREFA)

This rule is not a major rule under 5 U.S.C. 804(2), the Small Business Regulatory Enforcement Fairness Act. This rule:

a. Does not have an annual effect on the economy of \$100 million or more.

b. Will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions.

c. Does not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises.

6. Unfunded Mandates Reform Act

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 Unfunded Mandates Reform Act (2 U.S.C. 1531 *et seq.*) is not required.

7. Takings (Executive Order 12630)

In accordance with Executive Order 12630, this proposed rule does not have significant takings implications. This rule does not impose conditions or limitations on the use of any private property; consequently, a takings implication assessment is not required.

8. Federalism (Executive Order 13132)

In accordance with Executive Order 13132, this proposed rule does not have Federalism implications. This rule does not substantially or directly affect the relationship between the Federal and State governments or impose costs on States or localities.

9. Civil Justice Reform (Executive Order 12988)

In accordance with 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.

10. Paperwork Reduction Act of 1995

We are soliciting comments on the information collection associated with this rulemaking. The information collection is titled "Solid Minerals Compliance and Asset Management Process" and has been submitted to OMB for review and approval. Written comments should be submitted on or before July 5, 2001.

You may submit comments directly to the Office of Information and Regulatory Affairs, Office of Management and Budget, Attention: Desk Officer for the Interior Department (OMB Control No. 1010-0120), 725 17th Street, NW, Washington, DC 20503. Also, please submit copies of your comments to Carol Shelby, Regulatory Specialist, Regulations and FOIA Team, Minerals Revenue Management, MS 320B2, P.O. Box 25165, Denver, CO 80225-0165. Courier or overnight delivery address is Building 85, Room F421, Denver Federal Center, Denver, Colorado 80225.

You may also comment via the Internet to mrm.comments@mms.gov. Submit Internet comments as an ASCII file avoiding the use of special characters and any form of encryption. Also include the title of the information collection and the OMB control number along with your name and return address in your Internet message. If you do not receive a confirmation from the

system that we have received your Internet message, contact Carol Shelby at (303) 231-3151 or FAX (303) 231-3385.

After the comment period closes, we will post public comments on the Internet at <http://www.mrm.mms.gov>. We make paper copies of these comments, including names and addresses of respondents, available for public review during regular business hours at our offices in Lakewood, Colorado. Individual respondents may request that we withhold their home address from the rulemaking record, which we will honor to the extent allowable by law. There may also be circumstances in which we would withhold from the rulemaking record a respondent's identity, as allowable by law. If you wish us to withhold your name and/or address, you must state this prominently at the beginning of your comments. We will make all submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses, available for public inspection in their entirety.

Section 3506(c)(2)(A) of the Paperwork Reduction Act requires each agency "to provide notice * * * and otherwise consult with members of the public and affected agencies concerning each proposed collection of information * * *." Agencies must specifically solicit comments to: (a) Evaluate whether the proposed collection of information is necessary for the agency to perform its duties, including whether the information is useful; (b) evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) enhance the quality, usefulness, and clarity of the information to be collected; and (d) minimize the burden on the respondents, including the use of automated techniques and other forms of information technology.

On August 3, 2000, we published a **Federal Register** Notice (65 FR 47802), soliciting comments on revising the Solid Minerals Operational Model information collection (OMB Control Number 1010-0120).

Note: We are requesting OMB approval to revise the information collection requirements under the currently approved information collection titled "Solid Minerals Operational Model" so that the requirements apply to all solid minerals lessees and to change the title to "Solid Minerals Compliance and Asset Management Process.")

We received comments from two organizations on the August 3, 2000,

notice—one from an industry partner in the operational model and one from an association whose membership includes coal, metal and non-metal mineral producers as well as manufacturers of mining and processing equipment and engineering, consulting and financial institutions serving the industry. These comments are addressed in the information collection request submitted to OMB.

We estimate that there are 200 solid mineral lessees who are required to report production and royalty information to us. Using the annual reporting burden experienced by the participants in the operational model, we estimate the annual reporting burden for this information collection is 1,362 hours.

Form MMS-4430. The average reporting burden for completing Form MMS-4430 is 20 minutes per month. We estimate that all 200 solid mineral lessees will submit Form MMS-4430, and that this annual reporting burden will be 800 hours (200 lessees × 1/3 hour per month × 12 months).

Sales summaries. The average reporting burden for sales summaries is 15 minutes per month. We estimate that 120 lessees will submit sales summary data and that this annual reporting burden will be 360 hours (120 lessees × 1/4 hour per month × 12 months).

Facility data. The average reporting burden for facility data is 15 minutes per month. We estimate that 30 lessees will submit facility data and that this annual reporting burden will be 90 hours (30 lessees × 1.4 hour per month × 12 months).

Contracts and contract amendments. Contracts and contract amendments will be copied and sent to MMS. The average reporting burden for providing contracts and contract amendments to us is 1 hour. We estimate that 90 lessees (predominantly coal companies) will submit contracts and contract amendments. Consequently, the annual reporting burden is 90 hours (90 lessees × 1 hour per year).

Additional documents or evidence. Federal and Indian lease terms allow us to request detailed statements, documents, or other evidence that supports our compliance and asset management responsibilities. We will only request this additional information as we need it, not as a regular submission. We estimate that 10 percent of the 200 solid mineral lessees, or 20 lessees, will submit this additional information annually, and that each lessee will require 1 hour to submit this information for a total annual reporting burden of 20 hours.

Method of Payment. Each payment document associated with Form MMS-4430 (Electronic Funds Transfer or hard copy check) must be annotated with the lessee's customer identification and the customer document identification numbers. For each rental payment document not reported on Form MMS-4430, the lessee must include the MMS Courtesy Notice, when provided, or annotate the payment document with the customer identification number and Government-assigned lease number. This requirement will help MMS link payments with Form MMS-4430 submittals.

The annual reporting burden for all of these documents is as follows:

Document Name	Estimated hours to prepare and submit
Form MMS-4430	800
Sales summaries	360
Facility data	90
Contracts and subsequent amendments	90
Other documents	20
Method of payments	2
Total	1,362

Using an average cost of \$50 per hour, we estimate the annual cost to respondents for the hour burden will be \$68,100 (1,362 hours × \$50).

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.

11. National Environmental Policy Act

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

12. Consultation and Coordination With Indian Tribal Governments

In accordance with Executive Order 13175, this proposed rule does not have tribal implications that impose substantial direct compliance costs on Indian tribal governments.

13. Clarity of This Regulation

Executive Order 12866 requires each agency to write regulations that are easy to understand. We invite your comments on how to make this rule easier to understand, including answers to questions such as the following: (1) Are the requirements in the rule clearly stated? (2) Does the rule contain technical language or jargon that interferes with this clarity? (3) Does the

format of the rule (grouping and order of sections, use of headings, paragraphing, etc.) aid or reduce its clarity? (4) Would the rule be easier to understand if it were divided into more (but shorter) sections? (A "section" appears in bold type and is preceded by the symbol "\$" and a numbered heading, for example, "\$210.200 What is the purpose of this subpart?") (5) Is the description of the rule in the "Supplementary Information" section of the preamble helpful in understanding the rule? What else could we do to make the rule easier to understand?

Send a copy of any comments that concern how we could make this rule easier to understand to: Office of Regulatory Affairs, Department of the Interior, Room 7229, 1849 C Street NW, Washington, DC 20240. You may also e-mail the comments to this address: Exsec@ios.doi.gov.

List of Subjects

30 CFR part 206

Coal, Continental shelf, Geothermal energy, Government contracts, Indian lands, Mineral royalties, Natural gas, Petroleum, Public lands—mineral resources, Reporting and recordkeeping requirements.

30 CFR part 210

Coal, Continental shelf, Geothermal energy, Government contracts, Indian lands, Mineral royalties, Natural gas, Petroleum, Public lands—mineral resources, Reporting and recordkeeping requirements.

30 CFR part 216

Coal, Continental shelf, Geothermal energy, Government contracts, Indian lands, Mineral royalties, Natural gas, Penalties, Petroleum, Public lands—mineral resources, Reporting and recordkeeping requirements.

30 CFR part 218

Coal, Continental shelf, Electronic funds transfers, Geothermal energy, Government contracts, Indian lands, Mineral royalties, Natural gas, Penalties, Petroleum, Public lands—mineral resources, Reporting and recordkeeping requirements.

Dated: May 30, 2001.

Piet deWitt,

Acting Assistant Secretary, Land and Minerals Management.

For reasons set out in the preamble, 30 CFR parts 206, 210, 216, and 218 are proposed to be amended as follows:

PART 206—PRODUCT VALUATION

1. The authority citation for part 206 continues to read as follows:

Authority: 5 U.S.C. 301 *et seq.*; 25 U.S.C. 396 *et seq.*, 396a *et seq.*, 2101 *et seq.*; 30 U.S.C. 181 *et seq.*, 351 *et seq.*, 1001 *et seq.*, 1701 *et seq.*; 31 U.S.C. 9701; 43 U.S.C. 1301 *et seq.*, 1331 *et seq.*, and 1801 *et seq.*

§ 206.251 [Amended]

2. In § 206.251, definition of “netting,” remove the word “MMS–2014” and add in its place the word “MMS–4430.”

§ 206.254 [Amended]

3. Amend § 206.254 as follows:
 a. Remove paragraph (a).
 b. In paragraph (b), last sentence, remove the words “Report of Sales and Royalty Remittance, Form MMS–2014” and add in their place the words “Solid Minerals Production and Royalty Report, Form MMS–4430.”
 c. Remove the paragraph designation for paragraph (b).

§ 206.257 [Amended]

4. Amend § 206.257 as follows:
 a. In paragraph (d)(3), second sentence, remove the title “Associate Director for Royalty Management” and add in its place “Associate Director for Minerals Revenue Management.”
 b. In paragraph (d)(3), last sentence, remove the word “MMS–2014” and add in its place the word “MMS–4430.”

§ 206.259 [Amended]

5. In § 206.259, paragraphs (a)(1), (b)(1), (c)(1)(i), (c)(2)(i), (d)(1), (e)(1) and (e)(2), remove the word “MMS–2014” and add in its place the word “MMS–4430.”

§ 206.262 [Amended]

6. In § 206.262, paragraphs (a)(1), (b)(1), (c)(1)(i), (c)(2)(i), (d)(1), (e)(1) [occurs twice] and (e)(2), remove the word “MMS–2014” and add in its place the word “MMS–4430.”

§ 206.263 [Removed]

7. Remove § 206.263.

§ 206.453 [Amended]

8. Amend § 206.453 as follows:
 a. Remove paragraph (a).
 b. In paragraph (b), remove the words “Report of Sales and Royalty Remittance, Form MMS–2014” and add in their place the words “Solid Minerals Production and Royalty Report, Form MMS–4430.”
 c. Remove the paragraph designation from paragraph (b).

§ 206.456 [Amended]

9. Amend § 206.456 as follows:
 a. In paragraph (d)(3), second sentence, remove the title “Associate Director for Royalty Management” and add in its place the title “Associate Director for Minerals Revenue Management.”
 b. In paragraph (d)(3), last sentence, remove the word “MMS–2014” and add in its place the word “MMS–4430.”

§ 206.458 [Amended]

10. Amend § 206.458 as follows:
 a. In paragraphs (c)(1)(i) and (c)(2)(i), remove the words “Form MMS–2014, Report of Sales and Royalty Remittance” and add in their place the words “Form MMS–4430, Solid Minerals Production and Royalty Report” and remove the

word “MMS–2014” and add in its place the word “MMS–4430.”

b. In paragraphs (c)(4), (d)(1), (e)(1), and (e)(2), remove the word “MMS–2014” and add in its place the word “MMS–4430.”

§ 206.461 [Amended]

11. Amend § 206.461 as follows:
 a. In paragraphs (c)(1)(i) and (c)(2)(i), remove the words “Form MMS–2014, Report of Sales and Royalty Remittance,” and add in their place the words “Form MMS–4430, Solid Minerals Production and Royalty Report.”
 b. In paragraphs (c)(4), (d)(1), (e)(1) and (e)(2), remove the word “MMS–2014” and add in its place the word “MMS–4430.”

§ 206.462 [Removed]

12. Remove § 206.462.

PART 210—FORMS AND REPORTS

13. The authority citation for part 210 continues to read as follows:

Authority: 5 U.S.C. 301 *et seq.*; 25 U.S.C. 396, 2107; 30 U.S.C. 189, 190, 359, 1023, 1751(a); 31 U.S.C. 3716, 9701; 43 U.S.C. 1334, 1801 *et seq.*; and 44 U.S.C. 3506(a).

14. Amend § 210.10 as follows:
 a. In paragraph (a), first sentence, remove the name “Royalty Management Program” and add in its place “Minerals Revenue Management.”
 b. In paragraph (a), revise the table to read as follows:

§ 210.10 Information collection.

(a) * * *

Form No., name, and filing date	OMB No.
MMS–2014—Report of Sales and Royalty Remittance—Due by the end of first month following production month for royalty payment and for rentals no later than anniversary date of the lease	1010–0022
MMS–3160—Monthly Report of Operations—Due by the 15th day of the second month following the production month	1010–0040
MMS–4025—Oil and Gas Payor Information Form— Due 30 days after issuance of a new lease or change to an existing lease	1010–0033
MMS–4051—Facility and Measurement Information Form and Supplement—Due at the request of MMS during the initial conversion of the facility and measurement device operators	1010–0040
MMS–4053—First Purchaser Report—Due at the request of MMS	1010–0040
MMS–4054—Oil and Gas Operations Report—Due by the 15th day of the second month following the production month	1010–0040
MMS–4055—Gas Analysis Report—Due by the 15th day of the second month following the production month	1010–0040
MMS–4056—Gas Plant Operations Report—Due by the 15th day of the second month following the production month	1010–0040
MMS–4058—Production Allocation Schedule Report—Due by the 15th day of the second month following the production month	1010–0040
MMS–4070—Application of the Purchase of Royalty Oil—Due prior to the date of sale in accordance with the instructions in the Notice of Availability of Royalty Oil	1010–0042
MMS–4109—Gas Processing Allowance Summary Report—Initial report due within 3 months following the last day of the month for which an allowance is first claimed, unless a longer period is approved by MMS	1010–0075
MMS–4110—Oil Transportation Allowance Report—Initial report due within 3 months following the last day of the month for which an allowance is first claimed, unless a longer period is approved by MMS	1010–0061
MMS–4280—Application for Reward for Original Information— Due when a reward is claimed for information provided which may lead to the recovery of royalty or other payments owed to the United States	1010–0076
MMS–4292—Coal Washing Allowance Report—Due prior to or at the same time that the allowance is first reported on Form MMS–4430 and annually thereafter if the allowance does not change	1010–0074
MMS–4293—Coal Transportation Allowance Report—Due prior to or at the same time that the allowance is first reported on Form	
MMS–4430 and annually thereafter if the allowance does not change	1010–0074
MMS–4295—Gas Transportation Allowance Report—Initial report due within 3 months following the last day of month for which an allowance is first claimed unless a longer period is approved by MMS	1010–0075

Form No., name, and filing date	OMB No.
MMS-4377—Stripper Royalty Rate Reduction Notification—Due for each 12-month qualifying period that a reduced royalty rate is granted by the Bureau of Land Management	1010-0090
MMS-4430—Solid Minerals Production and Royalty Report—Due by the end of the month following the month of production or sale and for rentals no later than the payment date specified in your lease	1010-0120
Facility Data—Due monthly or as requested for specific solid mineral products and lease types; see § 210.204	1010-0120
Sales Contracts—Due quarterly or as requested on certain solid mineral products and lease types; see § 210.203	1010-0120
Sales Summaries—Due monthly or as requested for specific solid mineral products and lease types; see § 210.202	1010-0120

* * * * *

c. In paragraph (b)(2), first sentence, remove the words “or MMS-4030.” Also, remove the name “Royalty Management Program” and add in its place the name “Minerals Revenue Management.”

d. In paragraph (b)(3), first sentence, remove the words “MMS-4059, MMS-4060,.” Also, remove the name “Royalty Management Program” and add in its place “Minerals Revenue Management.”

e. Remove paragraph (b)(6).

f. Add paragraphs (b)(6) through (b)(9) to read as follows:

§ 210.10 Information collection.

* * * * *

(b) * * *

(6) Requests for Form MMS-4430 should be addressed to Minerals Management Service, Minerals Revenue Management, Solid Minerals and Geothermal Compliance and Asset Management, P.O. Box 25165, MS 390G1, Denver, Colorado 80225-0165. Completed forms should be mailed to Minerals Management Service, Minerals Revenue Management, Solid Minerals and Geothermal Compliance and Asset Management, P.O. Box 17110, Denver, Colorado 80217-0110.

(7) Facility data and sales summaries—when not submitted electronically—should be mailed to Minerals Management Service, Minerals Revenue Management, Solid Minerals and Geothermal Compliance and Asset Management, P.O. Box 25165, Mail Stop 390G1, Denver, Colorado 80225-0165.

(8) Sales contracts should be mailed to Minerals Management Service, Minerals Revenue Management, Solid Minerals and Geothermal Compliance and Asset Management, P.O. Box 25165, MS 390G1, Denver, Colorado 80225-0165.

(9) Reports sent by special couriers or overnight mail (excluding U.S. Postal Service Express Mail) should be addressed as follows:

(i) For oil and gas and geothermal leases, the address is: Minerals Management Service, Minerals Revenue Management, Building 85, Room A-614, Denver Federal Center, Denver, Colorado 80225; and

(ii) For solid mineral leases, the address is: Minerals Management

Service, Solid Minerals and Geothermal Compliance and Asset Management, Building 85, Room A-614, Denver Federal Center, Denver, Colorado 80225.

* * * * *

g. Remove paragraphs (c)(4), (c)(11), and (c)(12).

h. Redesignate paragraphs (c)(5) through (c)(10) as paragraphs (c)(4) through (c)(9).

i. Redesignate paragraphs (c)(13) through (c)(20) as paragraphs (c)(10) through (c)(17).

j. Add paragraphs (c)(18) through (c)(21) to read as follows:

§ 210.10 Information collection.

* * * * *

(c) * * *

(18) *MMS-4430*—Submitted monthly to report production from and royalty due on all Federal and Indian solid minerals leases (See § 210.201). The data is used to distribute payments to appropriate recipients and to determine if lessees properly paid lease obligations. Public reporting burden is estimated to be 20 minutes per month per reporter. Comments submitted relating to this information collection should reference OMB Control Number 1010-0120.

(19) *Facility Data*—Submitted monthly by operators of wash plant, refining, ore concentration, or other processing facilities for specific solid minerals produced from specific Federal and Indian lease types or when otherwise requested by MMS (see § 210.204). The data is used to assure that Federal or Indian lease processed production (the output of process plants) is consistent with the input of raw production. Public reporting burden is estimated to be approximately 15 minutes per reporter per month to compile in-house formatted information and submit that information electronically. Comments submitted relating to this information collection should reference OMB Control Number 1010-0120.

(20) *Sales Contracts*—Submitted each calendar quarter by producers of specific solid mineral products on specific Federal and Indian lease types

or when otherwise requested by MMS (see § 210.203). Contracts, agreements, contract amendments and other documents affecting gross proceeds are used for compliance purposes including, but not limited to, identifying valuation issues and establishing selling arrangement relationships. Public reporting burden is estimated to be 1 hour per reporter per month to compile and submit contracts and contract amendments. Comments submitted relating to this information collection should reference OMB Control Number 1010-0120.

(21) *Sales Summaries*—Submitted monthly by producers of specific solid minerals from specific Federal and Indian lease types or when otherwise requested by MMS (see § 210.202). This data is used for compliance purposes including, but not limited to, assuring that sales volumes and values are properly attributed or allocated to Federal or Indian leases. Public reporting burden is estimated to be 15 minutes per month for each reporter to compile in-house formatted sales information and submit that information electronically. Comments submitted relating to this information collection should reference OMB Control Number 1010-0120.

* * * * *

k. Revise paragraph (d) to read as follows:

§ 210.10 Information collection.

* * * * *

(d) *Comments on burden estimates.* Send comments on the accuracy of this burden estimate or suggestions on reducing this burden to the Minerals Management Service, Attention: Information Collection Clearance Officer, (OMB Control Number 1010- (insert appropriate OMB Control Number), Mail Stop 4230, 1849 C Street, NW, Washington, D.C. 20240. 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.

§§ 210.200-210.204 [Removed]

15. Remove §§ 210.200 through 210.204.

§§ 210.200–210.205 [Added]

16. Add §§ 210.200 through 210.205 to read as follows:

Subpart E—Solid Minerals, General

Sec.

- 210.200 What is the purpose of this subpart?
- 210.201 How do I submit Form MMS–4430, Solid Minerals Production and Royalty Report?
- 210.202 How do I submit sales summaries?
- 210.203 How do I submit sales contracts?
- 210.204 How do I submit facility data?
- 210.205 Do I need to submit additional documents or evidence to MMS?

§ 210.200 What is the purpose of this subpart?

This subpart explains your reporting requirements if you produce coal or other solid minerals from Federal or Indian leases. Included are your requirements for reporting production, sales, and royalties.

§ 210.201 How do I submit Form MMS–4430, Solid Minerals Production and Royalty Report?

(a) *What to submit.* (1) You must submit a completed Form MMS–4430 for all coal and other solid minerals produced from Federal and Indian leases accompanied by all required royalty and rental payments (except for first year rentals).

(2) You must submit a completed Form MMS–4430 for any product you sell from a remote storage site. If you sell from five or fewer remote storage sites, you must report sales from each site on separate Forms MMS–4430. If you sell from more than five remote

storage sites, you must total the data from all sites and report the summarized data on one Form MMS–4430.

(3) Instructions for completing and submitting Form MMS–4430 are available on our Internet web site or you may contact us toll free at 1–888–201–6416.

(b) *When to submit.* (1) Unless your lease terms specify a different frequency for royalty payments, you must submit your Form MMS–4430 monthly. Your Form MMS–4430 is due at the end of the month following the month in which a reportable action occurs. However, if the last day of the month falls on a weekend or holiday, your Form MMS–4430 is due on the next business day.

(2) If your lease terms specify a different frequency for royalty payment, then you must report at the same time you must pay according to lease terms.

(3) If you are submitting a Form MMS–4430 to accompany a rental payment, your report is due no later than the rental payment date specified in your lease terms.

(4) If the information on a previously reported Form MMS–4430 is incorrect or has changed, you must submit a revised Form MMS–4430 by the last day of the month in which you discover the error or change, except when the last day of the month falls on a weekend or holiday. If the last day of the month falls on a weekend or holiday, your revised Form MMS–4430 is due on the first business day of the following month.

(c) *How to submit.* (1) You must submit Form MMS–4430 electronically

using our Internet web site unless you meet the conditions in paragraphs (c)(2) or (c)(3) of this section. We will provide written instructions and a valid login identification and password before you begin reporting.

(2) You are not required to report electronically if you report only rent, minimum royalty, or other annual obligations on Form MMS–4430. These payments are submitted with a courtesy notice as instructed in § 218.201(c) of this chapter.

(3) You are not required to report electronically if you are a small business as defined by the U.S. Small Business Administration (13 CFR 121.201) and you have no computer, no plans to purchase a computer or contract with an electronic reporting service.

§ 210.202 How do I submit sales summaries?

(a) *What to submit.* You must submit sales summaries for all coal and other solid minerals produced from Federal and Indian leases and for any remote storage site from which you sell Federal or Indian solid minerals. If you sell from five or fewer remote storage sites, you must submit a sales summary for each site. If you sell from more than five remote storage sites, you may total the data from all sites and submit the summarized data as one sales summary. The details you report on the sales summary are for the same sales reported on Form MMS–4430. Use the following table to determine the time frames for submitting sales summaries and the data elements you must include:

Date element	Coal	Sodium/potassium	Western phosphate	Metals	All other leases with ad valorem royalty terms	All other leases with no ad valorem royalty terms
(1) Purchaser name or unique identification.	Monthly	As requested	Monthly	Monthly	Monthly	As requested.
(2) Sales units	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly.
(3) Gross proceeds.	Monthly	Monthly	Not required	Monthly	Monthly	Not required.
(4) Processing or washing costs.	Monthly	Monthly	Not required	Monthly	Monthly	Not required.
(5) Transportation costs.	Monthly	Monthly	Not required	Monthly	Monthly	Not required.
(6) Name of product type sold.	Not required	Monthly	Not required	Monthly	Monthly	As Required.
(7) Btu/lb	Monthly	Not required	Not required	Not required	Not required	Not required.
(8) Ash %	Monthly	Not required	Not required	Not required	Not required	Not required.
(9) Sulfur %	Monthly	Not required	Not required	Not required	Not required	Not required.
(10) lbs SO ₂	Monthly	Not required	Not required	Not required	Not required	Not required.
(11) Moisture %	Monthly	Not required	Monthly	Not required	Not required	Not required.
(12) By-product units.	Not required	As requested	Monthly	As requested	As requested	Not required.
(13) P ₂ O ₅ %	Not required	Not required	Monthly	Not required	Not required	Not required.
(14) Size	Monthly	Not required	Not required	Not required	As requested	Not required.
(15) Net smelter return data.	Not required	Not required	Not required	Monthly	Not required	Not required.

Date element	Coal	Sodium/potassium	Western phosphate	Metals	All other leases with ad valorem royalty terms	All other leases with no ad valorem royalty terms
(16) Other data e.g., royalty calculation worksheet.	As requested	Monthly	As requested	As requested	As requested	As requested.

(b) *When to submit.* (1) For leases with ad valorem royalty terms (that is, leases for which royalty due is dependent upon sales value), you must submit your sales summaries monthly at the same time you submit Form MMS-4430.

(2) For leases with no ad valorem royalty terms (that is, leases in which the royalty due is not dependent upon sales value such as cents-per-ton or dollars-per-unit), you must submit monthly sales summaries only if we specifically request you to do so.

(c) *How to submit.* (1) You should provide the sales summary data via electronic mail. We will provide instructions and the proper e-mail address for these submissions.

(2) We will accept sales summary data submissions in paper copy. If you submit sales summaries by paper, use our mailing addresses in § 210.203(c).

§ 210.203 How do I submit sales contracts?

(a) *What to submit.* You must submit sales contracts, agreements, contract amendments, or other documents that affect gross proceeds received for the sale of all coal and other solid minerals produced from Federal and Indian leases with ad valorem royalty terms.

(b) *When to submit.* (1) For coal and metal production, you must submit the required documents at the end of each calendar quarter.

(2) For sodium, potassium, and phosphate production, and production from any other lease with ad valorem royalty terms, you must submit the required documents only if you are specifically requested to do so.

(c) *How to submit.* You must submit complete copies to us at one of the following addresses:

(1) *For U.S. Postal Service mail service (including Express Mail):* Minerals Management Service, Minerals Revenue Management, Solid Minerals and Geothermal Compliance and Asset Management, P.O. Box 25165, MS 390G1, Denver, Colorado 80225-0165; or

(2) *For courier service (excluding Express Mail):* Minerals Management Service, Solid Minerals and Geothermal Compliance and Asset Management,

Building 85, Room A-614, Denver Federal Center, Denver, Colorado 80225.

§ 210.204 How do I submit facility data?

(a) *What to submit.* If you operate a wash plant, refining, ore concentration, or other processing facility for any coal, sodium, potassium, metals, or other solid minerals produced from Federal or Indian leases with ad valorem royalty terms, you must submit facility data, regardless of whether the facility is located on or off the lease. You must include in your facility data all leases processed in the facility (Federal and non-Federal and Indian and non-Indian). Facility data submissions must include the following minimum information: identification of your facility, mines served, input quantity, output quantity, and output quality or product grades.

(b) *When to submit.* You must submit your facility data monthly at the same time you submit your Form MMS-4430.

(c) *How to submit.* (1) You should provide the facility data via electronic mail. We will provide instructions and the proper e-mail address for these submissions before you begin reporting.

(2) We will accept facility data submissions in paper copy. If submitting facility data by paper, use our mailing addresses in § 210.203(c).

§ 210.205 Do I need to submit additional documents or evidence to MMS?

(a) Federal and Indian lease terms allow us to request detailed statements, documents, or other evidence that supports our compliance and asset management responsibilities.

(b) We will only request this additional information as we need it, not as a regular submission.

PART 216—PRODUCTION ACCOUNTING

17. The authority citation for part 216 continues to read as follows:

Authority: 5 U.S.C. 301 *et seq.*; 25 U.S.C. 396, 2107; 30 U.S.C. 189, 190, 359, 1023, 1751(a); 31 U.S.C. 3716, 9701; 43 U.S.C. 1334, 1801 *et seq.*; and 44 U.S.C. 3506(a).

18. Revise § 216.11 to read as follows:

§ 216.11 Electronic reporting.

(a) You must submit your Oil and Gas Operations Report, Form MMS-4054, in

accordance with electronic reporting requirements in §§ 210.20 through 210.22 of this chapter.

(b) You must submit your Solid Minerals Production and Royalty Report, Form MMS-4430, in accordance with electronic reporting requirements in § 210.201 of this chapter.

19. In § 216.15, revise paragraph (a) to read as follows:

§ 216.15 Reporting instructions.

(a) Specific guidance on how to prepare and submit required information collection reports and forms to MMS may be obtained from the following sources:

(1) For oil and gas, instructions are available in handbooks requested at Minerals Management Service, Minerals Revenue Management, P.O. Box 17110, Denver, Colorado 80217-0110.

(2) For coal and other solid minerals, instructions are available at our Internet web site or by calling 1-888-201-6416.

20. In § 216.16, revise paragraphs (a) and (b) to read as follows:

§ 216.16 Where to report.

(a) All reporting forms listed in this part that are mailed or sent by U.S. Postal Service (including express mail) should be mailed to the following addresses:

(1) For oil and gas, the address is Minerals Management Service, Minerals Revenue Management, P.O. Box 17110, Denver, Colorado 80217-0110; and

(2) For coal and other solid minerals, the address is Minerals Management Service, Minerals Revenue Management, Solid Minerals and Geothermal Compliance and Asset Management, P.O. Box 17110, Denver, Colorado 80225-0110.

(b) Reports delivered to MMS by special couriers or overnight mail (except U.S. Postal Service express mail) should be addressed as follows:

(1) For oil and gas, the address is Minerals Management Service, Minerals Revenue Management, Building 85, Room A-614, Denver Federal Center, Denver, Colorado 80225; and

(2) For coal and other solid minerals, the address is Minerals Management Service, Minerals Revenue Management, Solid Minerals and Geothermal Compliance and Asset Management,

Building 85, Room A-614, Denver
Federal Center, Denver, Colorado 80225.
* * * * *

§ 216.21 [Amended]

21. Amend § 216.21 as follows:

(a) In the second sentence, remove the words "the Production Accounting and Auditing System Reporters Handbook" and add in their place "our reporter handbooks or our Internet web site."

(b) In the last sentence, remove the word "handbook" and add in its place "handbooks."

22. In § 216.40, revise paragraph (d) to read as follows:

§ 216.40 Assessments for incorrect or late reports and failure to report.

* * * * *

(d) For purposes of solid minerals reporting, a report is defined as each line of information required on the Solid Minerals Production and Royalty Report, Form MMS-4430.

* * * * *

Subpart E—Solid Minerals, General [Reserved]

§§ 216.200—216.204 [Removed]

23. Remove §§ 216.200 through 216.204 and reserve subpart E.

PART 218—COLLECTION OF ROYALTIES, RENTALS, BONUSES AND OTHER MONIES DUE THE FEDERAL GOVERNMENT

24. The authority citation for part 218 continues to read as follows:

Authority: 25 U.S.C. 396 *et seq.*, 396a *et seq.*, 2101 *et seq.*; 30 U.S.C. 181 *et seq.*, 351 *et seq.*, 1001 *et seq.*, 1701 *et seq.*; 31 U.S.C.A. 3335; 43 U.S.C. 1301 *et seq.*, 1331 *et seq.*, and 1801 *et seq.*

25. In § 218.40, revise paragraph (c) to read as follows:

§ 218.40 Assessments for incorrect or late reports and failure to report.

* * * * *

(c) For purposes of assessments discussed in this section, a report is defined as follows:

(1) For coal and other solid mineral leases, a report is each line on the Solid Minerals Production and Royalty Report, Form MMS-4430.

(2) For geothermal leases, a report is each line on the Report of Sales and Royalty Remittance, Form MMS-2014.

(3) For oil and gas leases, this section does not apply.

* * * * *

§ 218.51 [Amended]

26. Amend § 218.51 as follows:

a. In paragraph (d)(2) and (d)(3), remove the name "Royalty Management

Program" and add in its place the name "Minerals Revenue Management."

b. In paragraph (e), remove the name "Royalty Management Program" and add in its place the name "Minerals Revenue Management" and remove the room number "A-212" and add in its place "A-614."

27. Revise § 218.201 to read as follows:

§ 218.201 Method of payment.

You must tender all payments in accordance with § 218.51, except as follows:

(a) For purposes of this section, *report* means the Solid Minerals Production and Royalty Report, Form MMS-4430, rather than the Form MMS-2014.

(b) For Form MMS-4430 payments, include both your customer identification and your customer document identification numbers on your payment document, rather than the information required under § 218.51(f)(1).

(c) For a rental payment that is not reported on Form MMS-4430, include the MMS Courtesy Notice when provided or write your customer identification number and Government-assigned lease number on the payment document, rather than the information required under § 218.51(f)(4)(iii).

§ 218.203 [Amended]

28. Amend § 218.203 as follows:

a. In paragraph (a), first sentence, remove the word "MMS-2014" and add in its place "MMS-4430."

b. In paragraph (b), second sentence, remove the words "in the ["]AFS Payor Handbook—Solid Minerals["]'."

c. In paragraph (b), remove the third sentence, "See 30 CFR 210.204[.]" and add in its place the sentence "Call 1-888-201-6416 for instructions."

[FR Doc. 01-14123 Filed 6-4-01; 8:45 am]

BILLING CODE 4310-MR-P

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

36 CFR Part 1202

RIN 3095-AA99

Privacy Act; Implementation

AGENCY: National Archives and Records Administration (NARA).

ACTION: Proposed rule.

SUMMARY: NARA is rewriting our Privacy Act regulations to update the procedures for making a Privacy Act request, and to reflect the President's memorandum of June 1, 1998, Plain Language in Government Writing. This

proposed rule will affect individuals and entities seeking access or disclosure of information contained in NARA Privacy Act systems of records and subject individuals covered by a NARA Privacy Act system.

DATES: Comments must be received by August 6, 2001.

ADDRESSES: Comments must be sent to Regulation Comments Desk (NPOL), Room 4100, Policy and Communications Staff, National Archives and Records Administration, 8601 Adelphi Road, College Park, MD 20740-6001. They may be faxed to 301-713-7270. You may also comment via the Internet to comments@NARA.GOV.

Please submit Internet comments as an ASCII file avoiding the use of special characters and any form of encryption. Please also include "Attn: 3095-AA99" and your name and return mailing address in your Internet message. If you do not receive a confirmation from NARA that we have received your Internet message, contact the Regulation Comment Desk at 301-713-7360, ext. 226.

FOR FURTHER INFORMATION CONTACT: Nancy Allard at telephone number 301-713-7360, ext. 226, or fax number 301-713-7270.

SUPPLEMENTARY INFORMATION: As noted in the **SUMMARY**, NARA is rewriting its regulations on implementing the Privacy Act of 1974, in accordance with the Presidential Memorandum of June 1, 1998. The proposed rule is written in plain language. Each section is written in the question and answer format. This format not only simplifies the regulations and its application, but it personalizes the regulation to the customer. The proposed rule specifies how NARA collects, maintains and uses personal information collected and maintained by NARA and defunct agencies under the Privacy Act. The proposed rule explains the authority under which NARA collects and disseminates this information, how a person can obtain access to such information, and how to amend or correct such information.

NARA last amended its Privacy Act regulations in 1998 (63 FR 70342). In preparing to rewrite the regulations in plain language, we reviewed our policies and procedures. We have also reviewed all of our Privacy Act systems of records. As a result of these actions, we are making several substantive changes to the regulations. First, NARA does not forward requests for other agencies' records stored in a NARA record center to the appropriate agency; therefore, in the proposed rule we tell the requester that he/she must request