APPENDIX B

FEDERAL REGISTER NOTICE OF RULE

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§ 299.1 Prescribed forms.

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Form No.	Edition date	Title
*	*	*
I–129W	12–22–99	H–1B Data Collection and Filing Fee Exemption.
*	*	*

7. Section 299.5 is amended in the table by revising the entry for Form "129W" to read as follows:

§ 299.5 Display of control numbers.

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INS form No.	INS form title	Currently assigned OMB Control No.
*	*	*
I–129W	H–1B Data Collection and Filing Exemption	1115–0225
*	*	*

Dated: February 24, 2000.

Doris Meissner,

Commissioner, Immigration and Naturalization Service.

[FR Doc. 00–4766 Filed 2–28–00; 8:45 am]

BILLING CODE 4410–10–M

DEPARTMENT OF ENERGY

[Docket No. FM–RM–99–RPROP]

10 CFR PART 770

RIN 1901–AA82

Transfer of Real Property at Defense Nuclear Facilities for Economic Development

AGENCY: Department of Energy.

ACTION: Interim final rule and opportunity for public comment.

SUMMARY: The Department of Energy (DOE) is establishing a process for disposing of unneeded real property at DOE's defense nuclear facilities for economic development. Section 3158 of Public Law 105–85, the National Defense Authorization Act for Fiscal Year 1998, directs DOE to prescribe regulations which describe procedures for the transfer by sale or lease of real property at such defense nuclear facilities. Transfers of real property under these regulations are intended to offset negative impacts on communities caused by unemployment from related DOE downsizing, facility closeouts and work force restructuring at these facilities. Section 3158 also provides discretionary authority to the Secretary to indemnify transferees of real property at DOE defense nuclear facilities. This regulation sets forth the indemnification procedures.

EFFECTIVE DATE: This rule is effective February 29, 2000. Comments on the interim final rule should be submitted by April 14, 2000. Those comments received after this date will be considered to the extent practicable.

ADDRESSES: Send comments (3 copies) to James M. Cayce, U.S. Department of Energy, Office of Management and Administration, MA–53, 1000 Independence Avenue, SW, Washington, D.C. 20585. The comments will be included in Docket No. FM–RM–99–PROP and they may be examined between 9:00 a.m. and 4:00 p.m. at the U.S. Department of Energy Freedom of Information Reading Room, Room 1E–190, 1000 Independence Avenue, SW, Washington, D.C. 20585, (202) 586–6020.

FOR FURTHER INFORMATION CONTACT: James M. Cayce, U.S. Department of Energy, MA–53, 1000 Independence Avenue, SW, Washington, D.C. 20585, (202) 586–0072.

SUPPLEMENTARY INFORMATION:

I. Background

DOE's real property consists of about 2.4 million acres and over 21,000 buildings, trailers, and other structures and facilities. In the eight years since the end of the Cold War, DOE has been engaged in a two-part process in which DOE reexamines its mission need for real property holdings, and then works to clean up the land and facilities that have been contaminated with hazardous chemicals and nuclear materials. The end result will be the availability, over time and to widely varying degree at DOE sites, of real property for transfer. DOE may sell or lease real property under a number of statutory authorities. The primary authorities are section 161g of the Atomic Energy Act (42 U.S.C. 2201(g)) and sections 646(c)–(f) (also known as the "Hall Amendment") and 649 of the Department of Energy Organization Act, as amended (42 U.S.C. 7256(c)–(f) and 7259). Section 161g of the Atomic Energy Act broadly authorizes DOE to transfer real property by sale or lease to another party. Section 649 applies to leasing of underutilized real property. Section 646(c)–(f) applies to specific facilities that are to be closed or reconfigured. In addition, DOE may declare real property as "excess, underutilized or temporarily underutilized," and dispose of such real property under provisions of the Federal Property and Administrative Services Act, 40 U.S.C. 472 *et seq.* With the exception of sections 646(c)–(f) of the DOE Organization Act, these authorities do not deal specifically with transfer of real property for economic development.

In section 3158 of the National Defense Authorization Act for Fiscal Year 1998 ("Act"), Congress directed DOE to prescribe regulations specifically for the transfer by sale or lease of real property at DOE defense nuclear facilities for the purpose of permitting economic development (42 U.S.C. 7274q(a)(1)). Section 3158 also provides that DOE may hold harmless and indemnify a person or entity to whom real property is transferred against any claim for injury to person or property that results from the release or threatened release of a hazardous substance, pollutant or contaminant as a result of DOE (or predecessor agency) activities at the defense nuclear facility (42 U.S.C. 7274q(b)). The indemnification provision in section 3158 is similar to provisions enacted for the Department of Defense Base Realignment and Closure program under Section 330 of the Defense Authorization Act for Fiscal Year 1993, Public Law 102–484.

The indemnification provisions in section 3158 aid these transfers for economic development because, even at sites that have been remediated in accordance with applicable regulatory requirements, uncertainty and risk to capital may be presented by the possibility of as-yet undiscovered contamination remaining on the property. Potential buyers and lessees of real property at defense nuclear facilities have sometimes expressed a need to be indemnified as part of the transfer. Furthermore, indemnification often is requested by lending or underwriting institutions which finance the purchase, redevelopment, or future private operations on the transferred property to protect their innocent interests in the property. Indemnification may be granted under this rule when it is deemed essential for facilitating local reuse or redevelopment as authorized under 42 U.S.C. 7274q.

This rule is not intended to affect implementation of the Joint Interim Policy that DOE and the Environmental Protection Agency (EPA) entered into on June 21, 1998, to implement the consultation provisions of the Hall Amendment (42 U.S.C. 7256(e)). The Joint Interim Policy provides specific direction for instances in which Hall Amendment authority is used by DOE to enter into leases at DOE sites which are on the EPA's National Priorities List. As

stated in the scope of the joint policy, at National Priorities List sites, EPA was given the authority to concur in the DOE determination that the terms and conditions of a lease agreement are "consistent with safety and protection of public health and the environment."

II. Section-by-Section Discussion

The following discussion presents information related to some of the provisions in today's interim final rule, and explains DOE's rationale for those provisions.

1. Section 770.2 (Coverage)

Generally, real property covered by these regulations includes land and facilities at DOE defense nuclear facilities offered for sale or lease for the purpose of permitting the economic development of the property. Leases of improvements to real property that has been withdrawn from the public domain are covered, but not the withdrawn land. If any of these improvements are removable, they can be transferred under this part.

2. Section 770.4 (Definitions)

DOE has included a definition of "Community Reuse Organization" (CRO) in this rule. CROs are established and funded by DOE to implement community transition activities under section 3161 of the National Defense Authorization Act for Fiscal Year 1993 (42 U.S.C. 7274h). Membership in a CRO is composed of a broad representation of persons and entities from the affected communities. The CRO coordinates local community transition planning efforts with the DOE's Federal Advisory Committees, "Site Specific Advisory Boards," and others to counter adverse impacts from DOE work force restructuring. CROs may act as agent or broker for parties interested in undertaking economic development actions, and they can assure a broad range of participation in community transition activities.

Section 3158 defines "defense nuclear facility" by cross-reference to the definition in section 318 of the Atomic Energy Act of 1954 (42 U.S.C. 2286(g)). These facilities are atomic energy defense facilities involved in production or utilization of special nuclear material; nuclear waste storage or disposal facilities; testing and assembly facilities; and atomic weapons research facilities, which are under the control or jurisdiction of the Secretary of Energy. DOE has identified the facilities receiving funding for atomic energy defense activities (with the exception of activities under Office of Naval Reactors) which are covered by the definition. A list of these defense nuclear facilities is included at the end of this section-by-section discussion for the convenience of the interested public.

"Excess real property" is DOE property that, after screening at all levels of DOE, is found to be unneeded for any of the DOE's missions.

The term "underutilized real property or temporarily underutilized real property" means an entire parcel of real property, or a portion of such property, that is used at irregular intervals or for which the mission need can be satisfied with only a portion of the property. These designations are reviewed on an annual basis by the certified real property specialist at each Field Office.

3. Sections 770.5 and 770.6 (Identification of Real Property for Transfer)

DOE annually conducts surveys of its real property to determine if the property is being fully utilized. In a related process, DOE annually reviews its real property to identify property that is no longer needed for DOE missions. Real property covered by this part will be initially identified by these two processes. Under this part, Field Office Managers will provide the established CRO, and other interested persons and entities with a list of the real property that may be transferred under these regulations. Field Office Managers may make this list available by mail to known entities, or other means (such as posting on DOE Internet sites), or upon request. DOE will provide existing information on listed property, including its policies under the relevant transfer authority, information on the physical condition of the property, environmental reports, safety reports, known use restrictions, leasing term limitations and other pertinent information. Section 770.6 provides that a CRO or other person or entity may request that the Field Office Manager make available specific real property for possible transfer in support of economic development.

4. Section 770.7 (Transfer Process)

To initiate the transfer process, the potential purchaser or lessee must prepare and provide to the Field Office Manager a proposal for the transfer of real property at a defense nuclear facility for economic development. The proposal must contain enough detail for DOE to make an informed determination that the transfer, by sale or lease, would be in the best interest of the Government. Every proposal must include the information specified in section 770.7(a)(1) relating to the scope and economic development impact of the proposed transfer. A proposal must include: a description of the real property proposed to be transferred; the intended use and duration of use of the real property; a description of the economic development that would be furthered by the transfer (*e.g.*, jobs to be created or retained, improvements to be made); information supporting the economic viability of the proposed development; and the consideration offered and any financial requirements. A proposal also should explicitly state if indemnification against claims is or is not being requested, and, if requested, the specific reasons for the request and a certification that the requesting party has not caused contamination on the property. This requirement stems from section 3158(b) of the Act, which requires DOE to include in any agreement for the sale or lease of real property provisions stating whether indemnification is or is not provided (42 U.S.C. 7274q(b)).

Paragraph 770.7(b) provides that DOE will review a proposal and within 90 days notify the person or entity submitting the proposal of its decision on whether the transfer is in the best interest of the Government and DOE's intent to proceed with development of a transfer agreement. DOE may consider a variety of factors in making its decision, such as the adverse economic impacts of DOE downsizing and realignment on the region, the public policy objectives of the laws governing the downsizing of DOE's production complex, the extent of state and local investment in any proposed projects, the potential for short- and long-term job generation, the financial responsibility of the proposer, current market conditions, and potential benefits to the federal government from the transfer. Since many defense nuclear facilities have ongoing missions, particular transfers may be subject to use restrictions that are made necessary by specific security, safety, and environmental requirements of the DOE facility. If DOE does not find the transfer is in the best interest of the Government and will not pursue a transfer agreement, it will, by letter, inform the person or entity that submitted it of DOE's decision and reasons. Agreement by DOE to pursue development of a transfer agreement does not commit DOE to the project or constitute a final decision regarding the transfer of the property.

Section 3158 of the Act prohibits DOE from transferring real property for economic development until 30 days have elapsed following the date on which DOE notifies the defense

committees of Congress of the proposed transfer of real property. Therefore, if DOE determines that a proposal would be in the best interest of the Government, it then will notify the congressional defense committees of the proposed transfer. In particular instances, it is possible that this notification requirement may delay the development of the transfer agreement.

Before a proposed transfer agreement is finalized, the Field Office Manager must ensure that DOE's National Environmental Policy Act (NEPA) environmental review process is completed. Depending on the transfer authority used and the condition of the real property, other agencies may need to review or concur with the terms of the agreement. For example, for Hall Amendment leases at National Priorities List sites, EPA was given the authority to concur in the DOE determination that the terms and conditions of a lease agreement are consistent with safety and the protection of public health and the environment. The DOE will also comply with any other applicable land transfer statutes.

DOE has established policy that requires public participation in the land and facility planning, management, and disposition decision process (under DOE O 403.1A, Life Cycle Asset Management). Generally, because the proposals are likely to be generated by or in coordination with a CRO, a separate public involvement process should not be necessary. However, there may be instances in which a specific authority requires separate or additional procedures (*e.g.*, commitments in agreements signed with tribal, state, or local governments).

5. Section 770.8 (Transfer for Less Than Fair Market Value)

The House Conference Report for the Act (105–340) noted that DOE should address in this part, when it is appropriate for DOE to transfer or lease real property below fair market value or at fair market value. DOE will generally pursue fair market value for real property transferred for economic development. DOE may, however, agree to sell or lease such property for less than fair market value if the statutory transfer authority used imposes no market value restriction and the real property requires considerable infrastructure improvements to make it economically viable, or if in DOE's judgment a conveyance at less than market value would further the public policy objectives of the laws governing the downsizing of defense nuclear facilities. DOE has the authority to transfer real and personal property at less than fair market value (or without consideration) in order to help local communities recover from the effects of downsizing of defense nuclear facilities.

6. Sections 770.9–770.11 (Indemnification)

DOE real property often is viewed by the public as a potential liability even if it has been cleaned to specific regulatory requirements. To improve the marketability of previously contaminated land and facilities, DOE may indemnify a person or entity to whom real property is transferred for economic development against any claim for injury to persons or property that results from the release or threatened release of a hazardous substance, pollutant or contaminant attributable to DOE (or predecessor agencies).[1] DOE will enter into an indemnification agreement under this rule if a person or entity requests it, and indemnification is deemed essential for the purposes of facilitating reuse or redevelopment. A claim for injury to person or property will be indemnified only if an indemnification provision is included in the agreement for sale or lease and in subsequent deeds or leases.

This general DOE indemnification policy is subject to the conditions in section 770.9 of this part. As provided by section 3158(c)(1) of the Act (42 U.S.C. 7274q(c)(1)), a person or entity who requests indemnification under a transfer agreement must notify DOE (the Field Office Manager) in writing within two years after the claim accrues.

Section 770.9 contains several other requirements and conditions that are taken from section 3158(c)(1) of the Act. The person or entity requesting indemnification for a particular claim must furnish the Field Office Manager pertinent papers regarding the claim received by the person or entity, and any evidence or proof of the claim; and must permit access to records and personnel for purposes of defending or settling the claim.

DOE also is prohibited by section 3158(b)(3) from indemnifying a person or entity for a claim "to the extent the persons and entities * * * contributed to any such release or threatened release" (42 U.S.C. 7274q(b)(3)). This limitation on DOE's ability to indemnify potentially liable parties is included in the rule in paragraph 770.9(b).

One additional statutory limitation on indemnification is that DOE may not indemnify a transferee for a claim, even if an indemnification agreement exists, if the person requesting indemnification does not allow DOE to settle or defend the claim. This limitation is in paragraph 770.9(c), and it is required by section 3158(d)(2) of the Act (42 U.S.C. 7274q(d)(2)).

Section 770.10 provides, as stipulated in the Act, that if an indemnification claim is denied by DOE, the person or entity must be informed through a notice of final denial of a claim by certified or registered mail. If the person or entity wishes to contest the denial, then that person or entity must begin legal action within six months after the date of mailing of a notice of final denial of a claim by DOE. (42 U.S.C. 7274q(c)(1)).

Section 770.11 incorporates the Act's provision that a claim "accrues" on the date on which the person asserting the claim knew (or reasonably should have known) that the injury to person or property was caused or contributed to by the release or threatened release of a hazardous substance, pollutant, or contaminant as a result of DOE activities at the defense nuclear facility on which the real property is located. (42 U.S.C. 7274q(c)(2)). DOE may not waive this timeliness requirement.

Appendix to Preamble of 10 CFR Part 770

List of Defense Nuclear Facilities: This list is consists of the defense nuclear facilities noted as covered facilities in House Report 105–137, and is not meant to be inclusive.

Argonne National Laboratory
Brookhaven National Laboratory
Fernald Environmental Management Project Site
Hanford Site
Idaho National Engineering and Environmental Laboratory
Kansas City Plant
K–25 Plant (East Tennessee Technology Park)
Lawrence Livermore National Laboratory
Los Alamos National Laboratory
Mound Facility
Nevada Test Site
Oak Ridge Reservation
Oak Ridge National Laboratory
Paducah Gaseous Diffusion Plant
Pantex Plant
Pinellas Plant
Portsmouth Gaseous Diffusion Plant
Rocky Flats Environmental Technology Site

[1] Regardless of the existence of an indemnification agreement, DOE would be responsible for the release, or threatened release of a hazardous substance or pollutant or contaminant resulting from the activities of DOE or its predecessor agencies, if the property was not remediated to required standards. This would also apply to early transfers, by sale or lease, of contaminated real property under Section 120(h)(3)(C) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9620(h)(3)(C).

Sandia National Laboratory
Savannah River Site
Waste Isolation Pilot Project
Y–12 Plant

III. Public Comment

The interim final rule published today relates to public property and, therefore, is exempt from the notice and comment rulemaking requirements in the Administrative Procedure Act, 5 U.S.C. 553. Nonetheless, DOE is providing an opportunity for interested persons to submit written comments on the interim final rule. Three copies of written comments should be submitted to the address indicated in the **ADDRESSES** section of this rule. All comments received will be available for public inspection in the Department of Energy Reading Room, 1E–190, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C., between the hours of 9 a.m. and 4 p.m., Monday through Friday, except federal holidays. All written comments received on or before the date specified in the beginning of this rule will be considered by DOE. Comments received after that date will be considered to the extent that time allows.

Any person submitting information or data that is believed to be confidential, and exempt by law from public disclosure, should submit one complete copy of the document and two additional copies from which the information believed to be confidential has been deleted. DOE will makes its own determination with regard to the confidential status of the information and treat it as provided in 10 CFR 1004.11.

IV. Procedural Requirements

A. Review Under Executive Order 12866

Today's regulatory action has been determined not to be "a significant regulatory action" under Executive Order 12866, "Regulatory Planning and Review," 58 FR 51735 (October 4, 1993). Accordingly, this action was not subject to review under that Executive Order by the Office of Information and Regulatory Affairs of the Office of Management and Budget.

B. Review Under the Regulatory Flexibility Act

The Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, requires preparation of an initial regulatory flexibility analysis for any rule that by law must be proposed for public comment, unless the agency certifies that the rule, if promulgated, will not have a significant economic impact on a substantial number of small entities. Today's interim final rule concerning the sale or lease of real property at defense nuclear facilities is not subject to the Regulatory Flexibility Act because neither the Administrative Procedure Act (5 U.S.C. 553(a)(2)), nor any other law requires DOE to propose the rule for public comment.

C. Review Under the Paperwork Reduction Act

No new collection of information is imposed by this interim final rule. Accordingly, no clearance by the Office of Management and Budget is required under the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*).

D. Review Under the National Environmental Policy Act

Under the Council on Environmental Quality regulations (40 CFR Parts 1500–1508), DOE has established guidelines for its compliance with the provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*). This interim final rule establishes procedures for real property transfers for economic development. Because the rule is procedural, it is covered by the Categorical Exclusion in paragraph A6 of Appendix A to Subpart D, 10 CFR Part 1021. Accordingly, neither an environmental assessment nor an environmental impact statement is required. As paragraph 770.3(b) of the rule notes, individual proposals for the transfer of property are subject to appropriate NEPA review.

E. Review Under Executive Order 13132

Executive Order 13132, "Federalism," 64 FR 43255 (August 4, 1999), requires that regulations, rules, legislation, and any other policy actions be reviewed for any substantial direct effects on states, on the relationship between the federal government and the states, or in the distribution of power and responsibilities among the various levels of government. DOE has analyzed this rulemaking in accordance with the principles and criteria contained in Executive Order 13132, and has determined that this rule will not have a substantial direct effect on states, the established relationship between the states and the federal government or the distribution of power and responsibilities among the various levels of government.

F. Review Under Executive Order 12988

With respect to the review of existing regulations and the promulgation of new regulations, section 3(a) of Executive Order 12988, "Civil Justice Reform," 61 FR 4729 (February 7, 1996), imposes on federal agencies the general duty to adhere to the following requirements: (1) Eliminate drafting errors and ambiguity; (2) write regulations to minimize litigation; and (3) provide a clear legal standard for affected conduct rather than a general standard and promote simplification and burden reduction. Section 3(b) of Executive Order 12988 specifically requires that Executive agencies make every reasonable effort to ensure that the regulation: (1) Clearly specifies the preemptive effect, if any; (2) Clearly specifies any effect on existing federal law or regulation; (3) provides a clear legal standard for affected conduct while promoting simplification and burden reduction; (4) specifies the retroactive effect, if any; (5) adequately defines key terms; and (6) addresses other important issues affecting clarity and general draftsmanship under any guidelines issued by the Attorney General. Section 3(c) of Executive Order 12988 requires Executive agencies to review regulations in light of applicable standards in section 3(a) and section 3(b) to determine whether they are met or it is unreasonable to meet one or more of them. DOE has completed the required review and determined that this interim final rule meets the relevant standards of Executive Order 12988.

G. Review Under the Unfunded Mandates Reform Act of 1995

Title II of the Unfunded Mandates Reform Act of 1995 (Pub. L. No. 104–4) requires each federal agency to prepare a written assessment of the effects of any federal mandate in a proposed or final rule that may result in the expenditure by state, local, and tribal governments, in the aggregate, or by the private sector, of $100 million in any one year. The Act also requires a federal agency to develop an effective process to permit timely input by elected officers of state, local, and tribal governments on a proposed "significant intergovernmental mandate," and it requires an agency to develop a plan for giving notice and opportunity for timely input to potentially affected small governments before establishing any requirement that might significantly or uniquely affect small governments. The interim final rule published today does not contain any federal mandate, so these requirements do not apply.

H. Review Under the Treasury and General Government Appropriations Act of 1999

Section 654 of the Treasury and General Government Appropriations Act, 1999 (Pub. L. 105–277) requires federal agencies to issue a Family Policymaking Assessment for any

proposed rule or policy that may affect family well-being. Today's proposal would not have any impact on the autonomy or integrity of the family as an institution. Accordingly, DOE has concluded that it is not necessary to prepare a Family Policymaking Assessment.

I. Congressional Notification

As required by 5 U.S.C. 801, DOE will submit to Congress a report regarding the issuance of today's interim final rule prior to the effective date set forth at the outset of this notice. The report will state that it has been determined that the rule is not a "major rule" as defined by 5 U.S.C. 801(2).

List of Subjects in Part 770

Federal buildings and facilities, Government property, Government property management, Hazardous substances.

Issued in Washington, on January 21, 2000.

Edward R. Simpson,

Acting Director of Procurement and Assistance Management.

For the reasons set forth in the preamble, Title 10, Chapter III, of the Code of Federal Regulations is amended by adding a new part 770 as set forth below:

PART 770—TRANSFER OF REAL PROPERTY AT DEFENSE NUCLEAR FACILITIES FOR ECONOMIC DEVELOPMENT

Sec.

770.1 What is the purpose of this part?
770.2 What real property does this part cover?
770.3 What general limitations apply to this part?
770.4 What definitions are used in this part?
770.5 How does DOE notify persons and entities that defense nuclear facility real property is available for transfer for economic development?
770.6 May interested persons and entities request that real property at defense nuclear facilities be transferred for economic development?
770.7 What procedures are to be used to transfer real property at defense nuclear facilities for economic development?
770.8 May DOE transfer real property at defense nuclear facilities for economic development at less than fair market value?
770.9 What conditions apply to DOE indemnification of claims against a person or entity based on the release or threatened release of a hazardous substance or pollutant or contaminant attributable to DOE?
770.10 When must a person or entity, who wishes to contest a DOE denial of request for indemnification of a claim, begin legal action?
770.11 When does a claim "accrue" for purposes of notifying the Field Office Manager under § 770.9(a) of this part?

Authority: 42 U.S.C. 7274q.

§ 770.1 What is the purpose of this part?

(a) This part establishes how DOE will transfer by sale or lease real property at defense nuclear facilities for economic development.

(b) This part also contains the procedures for a person or entity to request indemnification for any claim that results from the release or threatened release of a hazardous substance or pollutant or contaminant as a result of DOE activities at the defense nuclear facility.

§ 770.2 What real property does this part cover?

(a) DOE may transfer DOE-owned real property by sale or lease at defense nuclear facilities, for the purpose of permitting economic development.

(b) DOE may transfer, by lease only, improvements at defense nuclear facilities on land withdrawn from the public domain, that are excess, temporarily underutilized, or underutilized, for the purpose of permitting economic development.

§ 770.3 What general limitations apply to this part?

(a) Nothing in this part affects or modifies in any way section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)).

(b) Individual proposals for transfers of property are subject to NEPA review as implemented by 10 CFR Part 1021.

(c) Any indemnification agreed to by the DOE is subject to the availability of funds.

§ 770.4 What definitions are used in this part?

Community Reuse Organization or CRO means a governmental or non-governmental organization that represents a community adversely affected by DOE work force restructuring at a defense nuclear facility and that has the authority to enter into and fulfill the obligations of a DOE financial assistance agreement.

Claim means a request for reimbursement of monetary damages.

Defense Nuclear Facility means "Department of Energy defense nuclear facility" within the meaning of section 318 of the Atomic Energy Act of 1954 (42 U.S.C. 2286g).

DOE means the United States Department of Energy.

DOE Field Office means any of DOE's officially established organizations and components located outside the Washington, D.C., metropolitan area. (See Field Office Manager.)

Economic Development means the use of transferred DOE real property in a way that enhances the production, distribution, or consumption of goods and services in the surrounding region(s) and furthers the public policy objectives of the laws governing the downsizing of DOE's defense nuclear facilities.

Excess Real Property means any property under DOE control that the Field Office, cognizant program, or the Secretary of Energy have determined, according to applicable procedures, to be no longer needed.

Field Office Manager means the head of the DOE Operations Offices or Field Offices associated with the management and control of defense nuclear facilities.

Hazardous Substance means a substance within the definition of "hazardous substances" in subchapter I of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) (42 U.S.C. 9601(14)).

Indemnification means the responsibility for reimbursement of payment for any suit, claim, demand or action, liability, judgment, cost, or other fee arising out of any claim for personal injury or property damage, including business losses consistent with generally accepted accounting practices, which involve the covered real property transfers. Indemnification payments are subject to the availability of appropriated funds.

Person or Entity means any state, any political subdivision of a state or any individual person that acquires ownership or control of real property at a defense nuclear facility.

Pollutant or Contaminant means a substance identified within the definition of "pollutant or contaminant" in section 101(33) of CERCLA (42 U.S.C. 9601(33)).

Real Property means all interest in land, together with the improvements, structures, and fixtures located on the land (usually including prefabricated or movable structures), and associated appurtenances under the control of any federal agency.

Release means a "release" as defined in subchapter I of CERCLA (42 U.S.C. 9601(22)).

Underutilized Real Property or Temporarily Underutilized Real Property means the entire property or a portion of the real property (with or without improvements) that is used only at irregular intervals, or which is used by current DOE missions that can be satisfied with only a portion of the real property.

§ 770.5 How does DOE notify persons and entities that defense nuclear facility real property is available for transfer for economic development?

(a) Field Office Managers annually make available to Community Reuse Organizations and other persons and entities a list of real property at defense nuclear facilities that DOE has identified as appropriate for transfer for economic development. Field Office Managers may use any effective means of publicity to notify potentially-interested persons or entities of the availability of the list.

(b) Upon request, Field Office Managers provide to interested persons and entities relevant information about listed real property, including information about a property's physical condition, environmental, safety and health matters, and any restrictions or terms of transfer.

§ 770.6 May interested persons and entities request that real property at defense nuclear facilities be transferred for economic development?

Any person or entity may request that specific real property be made available for transfer for economic development pursuant to procedures in § 770.7. A person or entity must submit such a request in writing to the Field Office Manager who is responsible for the real property.

§ 770.7 What procedures are to be used to transfer real property at defense nuclear facilities for economic development?

(a) *Proposal.* The transfer process starts when a potential purchaser or lessee submits to the Field Office Manager a proposal for the transfer of real property that DOE has included on a list of available real property, as provided in § 770.5 of this part.

(1) A proposal must include (but is not limited to):

(i) A description of the real property proposed to be transferred;

(ii) The intended use and duration of use of the real property;

(iii) A description of the economic development that would be furthered by the transfer (*e.g.*, jobs to be created or retained, improvements to be made);

(iv) Information supporting the economic viability of the proposed development; and

(v) The consideration offered and any financial requirements.

(2) The person or entity should state in the proposal whether it is or is not requesting indemnification against claims based on the release or threatened release of a hazardous substance or pollutant or contaminant resulting from DOE activities.

(3) If a proposal for transfer does not contain a statement regarding indemnification, the Field Office Manager will notify the person or entity by letter of the potential availability of indemnification under this part, and will request that the person or entity either modify the proposal to include a request for indemnification or submit a statement that it is not seeking indemnification.

(b) *Decision to transfer real property.* Within 90 days after receipt of a proposal, DOE will notify, by letter, the person or entity that submitted the proposal of DOE's decision whether or not a transfer of the real property by sale or lease is in the best interest of the Government. If DOE determines the transfer is in the Government's best interest, then the Field Office Manger will begin development of a transfer agreement.

(c) *Congressional committee notification.* DOE may not transfer real property under this part until 30 days have elapsed after the date DOE notifies congressional defense committees of the proposed transfer. The Field Office Manager will notify congressional defense committees through the Secretary of Energy.

(d) *Transfer.* After the congressional committee notification period has elapsed, the Field Office Manager:

(1) Finalizes negotiations of a transfer agreement, which must include a provision stating whether indemnification is or is not provided;

(2) Ensures that any required environmental reviews have been completed; and

(3) Executes the documents required for the transfer of property to the buyer or lessee.

§ 770.8 May DOE transfer real property at defense nuclear facilities for economic development at less than fair market value?

DOE generally attempts to obtain fair market value for real property transferred for economic development, but DOE may agree to sell or lease such property for less than fair market value if the statutory transfer authority used imposes no market value restriction, and:

(a) The real property requires considerable infrastructure improvements to make it economically viable, or

(b) A conveyance at less than market value would, in the DOE's judgment, further the public policy objectives of the laws governing the downsizing of defense nuclear facilities.

§ 770.9 What conditions apply to DOE indemnification of claims against a person or entity based on the release or threatened release of a hazardous substance or pollutant or contaminant attributable to DOE?

(a) If an agreement for the transfer of real property for economic development contains an indemnification provision, the person or entity requesting indemnification for a particular claim must:

(1) Notify the Field Office Manager in writing within two years after such claim accrues under § 770.11 of this part;

(2) Furnish the Field Office Manager, or such other DOE official as the Field Office Manager designates, with evidence or proof of the claim;

(3) Furnish the Field Office Manager, or such other DOE official as the Field Office Manager designates, with copies of pertinent papers (*e.g.*, legal documents) received by the person or entity;

(4) If requested by DOE, provide access to records and personnel of the person or entity for purposes of defending or settling the claim; and

(5) Provide certification that the person or entity making the claim did not contribute to any such release or threatened release.

(b) DOE will enter into an indemnification agreement if DOE determines that indemnification is essential for the purpose of facilitating reuse or redevelopment.

(c) DOE may not indemnify any person or entity for a claim if the person or entity contributed to the release or threatened release of a hazardous substance or pollutant or contaminant that is the basis of the claim.

(d) DOE may not indemnify a person or entity for a claim made under an indemnification agreement if the person or entity refuses to allow DOE to settle or defend the claim.

§ 770.10 When must a person or entity, who wishes to contest a DOE denial of request for indemnification of a claim, begin legal action?

If DOE denies the claim, DOE must provide the person or entity with a notice of final denial of the claim by DOE by certified or registered mail. The person or entity must begin legal action within six months after the date of mailing.

§ 770.11 When does a claim "accrue" for purposes of notifying the Field Office Manager under § 770.9(a) of this part?

For purposes of § 770.9(a) of this part, a claim "accrues" on the date on which the person asserting the claim knew, or reasonably should have known, that the

injury to person or property was caused or contributed to by the release or threatened release of a hazardous substance, pollutant, or contaminant as a result of DOE activities at the defense nuclear facility on which the real property is located.

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 98–NM–262–AD; Amendment 39–11602; AD 2000–04–19]

RIN 2120–AA64

Airworthiness Directives; Dassault Model Mystere-Falcon 50 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment supersedes an existing airworthiness directive (AD), applicable to certain Dassault Model Mystere-Falcon 50 series airplanes, that currently requires a revision to the Limitations section of the FAA-approved Airplane Flight Manual (AFM) to include procedures to use certain values to correctly gauge the minimum allowable N1 speed of the operative engines during operation in icing conditions. This amendment adds a new requirement for operators to adjust the thrust reverser handle stop, install new wiring, and modify the Digital Electronic Engine Control (DEEC) software, which terminates the AFM revision. This amendment is prompted by issuance of mandatory continuing airworthiness information by a foreign civil airworthiness authority. The actions specified by this AD are intended to prevent flightcrew use of erroneous N1 thrust setting information displayed on the Engine Indication Electronic Display (EIED), which could result in in-flight shutdown of engine(s).

DATES: Effective April 4, 2000.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of April 4, 2000.

ADDRESSES: The service information referenced in this AD may be obtained from Dassault Falcon Jet, P.O. Box 2000, South Hackensack, New Jersey 07606. This information may be examined at the Federal Aviation Administration (FAA), Transport Airplane Directorate, Rules Docket, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Norman B. Martenson, Manager, International Branch, ANM–116, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (425) 227–2110; fax (425) 227–1149.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) by superseding AD 97–21–16, amendment 39–10202 (62 FR 60773, November 13, 1997), which is applicable to certain Dassault Model Mystere-Falcon 50 series airplanes, was published in the **Federal Register** on November 3, 1999 (64 FR 59685). The action proposed to retain the requirement to revise the Limitations section of the FAA-approved Airplane Flight Manual (AFM) to include procedures to use certain values to correctly gauge the minimum allowable N1 speed of the operative engines during operation in icing conditions, and add a new requirement for adjustment of the thrust reverser handle stop, installation of new wiring, and modification of the Digital Electronic Engine Control (DEEC) software, which would terminate the need for the AFM revision.

Comments

Interested persons have been afforded an opportunity to participate in the making of this amendment. Due consideration has been given to the comments received.

Requests To Revise Applicability

One commenter, the manufacturer, suggests that the applicability be revised to exclude airplanes on which Dassault Factory Modification M2193 has been accomplished. The commenter notes that this modification is equivalent to Dassault Service Bulletin F50–276, dated June 24, 1998 (which was cited in the AD as the appropriate source of service information). The FAA concurs. The actions described in the referenced Dassault service bulletin constitute terminating action for the requirements of this AD; therefore, airplanes on which the service bulletin has been accomplished are excluded in the applicability of the AD. Since Dassault Modification M2193 is equivalent to that service bulletin, the FAA has revised the final rule to also exclude airplanes having this production modification.

The same commenter also requests that the applicability of the proposed AD be revised in regard to the listing of affected airplanes. The commenter notes that the proposed AD applies to "serial numbers 251, 253, and subsequent, equipped with Allied-Signal TFE731–40 engines * * *." The commenter suggests that the applicability be expanded to include any Falcon 50 series airplane retrofitted with Dassault Service Bulletin F50–280 or Dassault Factory Modification 2518, since this service bulletin describes procedures for installation of Allied-Signal TFE731–40 engines on any Model Mystere-Falcon 50 series airplane, including serial numbers prior to 251.

The FAA does not concur. The FAA acknowledges that all airplanes equipped with the referenced engine type should also be subject to the requirements of this AD, if all actions required by this AD have not been accomplished. However, after further discussions with the manufacturer, the FAA has been advised that Dassault Service Bulletin F50–280 is in the process of review, but has not been released, nor has the equivalent Dassault Modification 2518 been approved. The FAA does not consider it appropriate to delay issuance of this final rule while awaiting such approval; therefore, no change is made to the applicability of the AD in this regard. If the engine retrofit service information is approved, the FAA will consider further rulemaking, if necessary, to apply the requirements of this AD to additional airplanes.

Request To Revise Number of Affected Airplanes

The same commenter states that the estimate of 7 affected airplanes is incorrect in the cost impact information of the proposed AD, since other airplanes may have the Allied-Signal TFE731–40 engines installed as a retrofit, as discussed in the previous comment. The FAA infers that the commenter is requesting that the number of affected airplanes be increased. However, since the previously described engine retrofit service information has not been approved, no airplanes on the U.S. Register should have had such a modification at this time. No change to the AD is necessary in this regard.

Request To Revise Cost Estimate

The same commenter states that the estimate of 2 work hours is conservative in that it does not include hours necessary to gain access, remove and replace the unit, and perform engine ground runs and/or flight tests. The

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