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All other information relating to the notice will be a matter of public record and will be available for public inspection and copying. In the interest of accuracy and completeness, BXA requires written comments. Oral comments must be followed by written memoranda, which will also be a matter of public record and will be available for public review and copying.

The public record concerning these comments will be maintained in the Freedom of Information Records Inspection Facility, Room 4525, U.S. Department of Commerce, 14th Street and Pennsylvania Avenue, NW, Washington, D.C. 20230. Records in this facility, including written public comments and memoranda summarizing the substance of oral communications, may be inspected and copied in accordance with regulations published in part 4 of title 15 of the Code of Federal Regulations. Information about inspection and copying of records at this facility may be obtained from Margaret Cornejo, BXA Freedom of Information Officer, at the above address or by calling (202) 482-2593.

Dated: October 3, 1997.

William V. Skidmore,

Acting Assistant Secretary for Export Administration.

[FR Doc. 97-26695 Filed 10-7-97; 8:45 am]

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DEPARTMENT OF COMMERCE

Bureau of Economic Analysis

15 CFR Part 806

[Docket No. 970918231-7231-01]

RIN 0691-AA08

Direct Investment Surveys: BE-12, Benchmark Survey of Foreign Direct Investment in the United States—1997

AGENCY: Bureau of Economic Analysis, Commerce.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document sets forth proposed rules to revise 15 CFR 806.17 to present the reporting requirements for the BE-12, Benchmark Survey of Foreign Direct Investment in the United States—1997 and to delete the rules

now in 15 CFR 806.17, which were for the last benchmark survey covering 1992.

The BE-12 benchmark survey is conducted by the Bureau of Economic Analysis (BEA), U.S. Department of Commerce, under Section 3103(b) of the International Investment and Trade in Services Survey Act, which requires that a benchmark survey of foreign direct investment in the United States be conducted every five years. The last benchmark survey was conducted for 1992, and the proposed survey will be conducted for 1997. The benchmark survey will obtain universe data on the financial and operating characteristics of, and on positions and transactions between, U.S. affiliates and their foreign parents. The data from the quinquennial survey will provide benchmarks for deriving current universe estimates of foreign direct investment from sample data collected in other BEA surveys in nonbenchmark years. The data are needed to measure the economic significance of foreign direct investment in the United States, measure changes in such investment, assess its impact on the U.S. economy, and based upon this assessment, make informed policy decisions regarding foreign direct investment in the United States. They are also required for compiling the balance of payments, international investment position, and national income and product accounts of the United States.

Key changes proposed by BEA from the previous benchmark survey include reducing respondent burden, particularly for small companies, by: Increasing the exemption level for reporting on the survey to \$3 million (measured by the company's total assets, sales, or net income) from \$1 million in the 1992 survey; increasing the exemption level at which reporting on the long form version of the survey is required from \$50 million to \$100 million; and requiring reporting companies with assets, sales, or net income between \$3 million and \$30 million to report only selected data items on the short form version. In addition, BEA proposes to base industry coding of reporting companies on the new North American Industry Classification System (NAICS) in place of the current system which is based on the U.S. Standard Industrial Classification system; to collect new information on affiliated services transactions by type of service; and to modify the detail collected on the composition of external financing of the reporting enterprise, on exports and imports of goods by product, and on the

operations of foreign-owned businesses in individual States.

DATES: Comments on the proposed rules will receive consideration if submitted in writing on or before November 24, 1997.

ADDRESSES: Comments may be mailed to the Office of the Chief, International Investment Division (BE-50), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or hand delivered to Room M-100, 1441 L Street NW, Washington, DC 20005. Comments received will be available for public inspection in Room 7005, 1441 L Street NW, between 8:30 a.m. and 4:30 p.m., Monday through Friday.

FOR FURTHER INFORMATION CONTACT: R. David Belli, Chief, International Investment Division (BE-50), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230; phone (202) 606-9800.

SUPPLEMENTARY INFORMATION: These proposed rules set forth the reporting requirements for the BE-12, Benchmark Survey of Foreign Direct Investment in the United States—1997. This survey is to be conducted by the Bureau of Economic Analysis, U.S. Department of Commerce, under the International Investment and Trade in Services Survey Act (Pub. L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended by Pub. L. 98-573 and Pub. L. 101-533), hereinafter, "the Act." Section 3103(b) of the Act, as amended, requires that "With respect to foreign direct investment in the United States, the President shall conduct a benchmark survey covering year 1980, a benchmark survey covering year 1987, and benchmark surveys covering every fifth year thereafter . . . In conducting surveys pursuant to this subsection, the President shall, among other things and to the extent he determines necessary and feasible—

(1) Identify the location, nature, and magnitude of, and changes in the total investment by any parent in each of its affiliates and the financial transactions between any parent and each of its affiliates;

(2) Obtain (A) information on the balance sheet of parents and affiliates and related financial data, (B) income statements, including the gross sales by primary line of business (with as much product line detail as necessary and feasible) of parents and affiliates in each country in which they have significant operations, and (C) related information regarding trade, including trade in both goods and services, between a parent and each of its affiliates and between each parent or affiliate and any other person;

(3) Collect employment data showing both the number of United States and foreign employees of each parent and affiliate and the levels of compensation, by country, industry, and skill level;

(4) Obtain information on tax payments by parents and affiliates by country; and

(5) Determine, by industry and country, the total dollar amount of research and development expenditures by each parent and affiliate, payments or other compensation for the transfer of technology between parents and their affiliates, and payments or other compensation received by parents or affiliates from the transfer of technology to other persons."

The responsibility for conducting benchmark surveys of foreign direct investment in the United States has been delegated to the Secretary of Commerce, who as redelegated it to BEA.

The benchmark surveys are BEA's censuses, intended to cover the universe of foreign direct investment in the United States in value terms. Foreign direct investment in the United States is defined as the ownership or control, directly or indirectly, by one foreign person of 10 percent or more of the voting securities of an incorporated U.S. business enterprise or an equivalent interest in an unincorporated U.S. business enterprise, including a branch.

The purpose of the benchmark survey is to obtain data on the amount, types, and financial and operating characteristics of foreign direct investment in the United States.

The data from the survey will be used to measure the economic significance of such investment and to analyze its effects on the U.S. economy. They will also be used in formulating, and assessing the impact of, U.S. policy on foreign direct investment.

They will provide benchmarks for deriving current universe estimates of direct investment from sample data collected in other BEA surveys. In particular, they will serve as benchmarks for the quarterly direct investment estimates included in the U.S. international transactions and national income and product accounts, and for annual estimates of the foreign direct investment position in the United States at book value and of the operations of the U.S. affiliates of foreign companies.

The benchmark surveys are also the most comprehensive of BEA's surveys in terms of subject matter in order that they obtain the detailed information on foreign direct investment needed for policy purposes. As specified in the Act, policy areas of particular interest

include, among other things, trade in both goods and services, employment and employee compensation, taxes, and technology.

As proposed, the survey will consist of an instruction booklet, an industry coding booklet, a claim for not filing the BE-12, and the following report forms:

1. Form BE-12(LF) (Long Form) for reporting by nonbank U.S. affiliates with assets, sales, or net income of more than \$100 million;

2. Form BE-12(SF) (Short Form) for reporting by nonbank U.S. affiliates with assets, sales, or net income of more than \$3 million, but not more than \$100 million;

3. Form BE-12 Bank for reporting by U.S. affiliates that are banks with assets, sales, or net income of more than \$3 million.

Although the proposed survey is intended to cover the universe of foreign direct investment in the United States, in order to minimize the reporting burden, U.S. affiliates with assets, sales, and net income each equal to or less than \$3 million are exempt from reporting on Forms BE-12(LF), BE-12(SF), and BE-12 Bank, but are required to file, on Form BE-12(X), a claim for exemption from filing in the benchmark survey.

In designing this survey, BEA solicited comments from an extensive number of representatives of both data users and survey respondents. BEA held a meeting with interagency data users on May 2, 1997 to solicit views on the proposed benchmark survey. It solicited and received input from several nongovernment data users. BEA also solicited comments from respondents by sending a packet with forms and proposed changes to 13 large companies that are current respondents to BEA surveys. The proposed draft incorporates BEA's responses to comments received from users and respondents. In reaching decisions on what questions to include in the survey, BEA considered the Government's need for the data, the burden imposed on respondents, the quality of the likely responses (e.g., whether the data are readily available on the respondents' books), and its experience in previous benchmark surveys.

Key changes proposed by BEA from the previous benchmark survey include reducing respondent burden, particularly for small companies, by: (1) Increasing the exemption level for reporting on the survey to \$3 million (measured by the company's total assets, sales, or net income) from \$1 million in the 1992 survey; (2) increasing the exemption level at which reporting on Form BE-12(LF) (Long Form) is

required from \$50 million to \$100 million; and (3) requiring reporting companies with assets, sales, or net income between \$3 million and \$30 million to report only selected data items on Form BE-12(SF) (Short Form). In addition, BEA proposes to base industry coding of reporting companies on the new North American Industry Classification System (NAICS) in place of the current system which is based on the U.S. Standard Industrial Classification system; to collect new information on affiliated services transactions by type of service; and to modify the detail collected on the composition of external financing of the reporting enterprise, on exports and imports of goods by product, and on the operations of foreign-owned businesses in individual States.

A copy of the proposed survey forms may be obtained from the Direct Investment in the United States Branch, International Investment Division, BE-49(A), Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230; phone (202) 606-5577.

Executive Order 12612

These proposed rules do not contain policies with Federalism implications sufficient to warrant preparation of a Federalism assessment under E.O. 12612.

Executive Order 12866

These proposed rules have been determined to be not significant for purposes of E.O. 12866.

Paperwork Reduction Act

These proposed rules contain a collection of information requirement subject to the Paperwork Reduction Act. The collection of information requirement contained in the proposed rule has been submitted to the Office of Management and Budget for review under section 3507 of the Paperwork Reduction Act.

Notwithstanding any other provisions of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection-of-information subject to the requirements of the Paperwork Reduction Act unless that collection displays a currently valid Office of Management and Budget Control Number, such as a Control Number (0608-0042) has been displayed.

Public reporting burden for this collection of information is estimated to vary from 1 to 715 hours per response, with an average of 22 hours per response, including time for reviewing instructions, searching existing data

sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

Comments are requested concerning: (a) Whether the proposed collection of information is necessary for the proper performance of the agency, including whether the information will have practical utility; (b) the accuracy of the burden estimate; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology. Comments should be addressed to: Director, Bureau of Economic Analysis (BE-1), U.S. Department of Commerce, Washington, DC 20230; and the Office of Management and Budget, O.I.R.A., Paperwork Reduction Project 0608-0042, Washington, DC 20503.

Regulatory Flexibility Act

The Assistant General Counsel for Legislation and Regulation, Department of Commerce, has certified to the Chief Counsel for Advocacy, Small Business Administration, under provisions of the Regulatory Flexibility Act (5 U.S.C. 605(b)), that this proposed rulemaking, if adopted, will not have a significant economic impact on a substantial number of small entities. Most small businesses are not foreign owned, and many that are will not be required to report in the benchmark survey because their assets, sales, and net income are each equal to or less than the \$3 million exemption level below which reporting is not required. Also, under these proposed rules, companies with assets, sales, or net income above \$3 million, but not above \$100 million, would report on the abbreviated BE-12 short form, rather than on the BE-12 long form. In addition companies with assets, sales, or net income between \$3 million and \$30 million will report only selected data items on the BE-12 short form. These provisions are intended to significantly reduce the reporting burden on smaller companies.

List of Subjects in 15 CFR Part 806

Balance of payments, Economic statistics, Foreign investments in the United States, Reporting and recordkeeping requirements.

J. Steven Landefeld,

Director, Bureau of Economic Analysis.

For the reasons set forth in the preamble, BEA proposes to amend 15 CFR Part 806 as follows:

PART 806—DIRECT INVESTMENT SURVEYS

1. The authority citation for 15 CFR Part 806 continues to read as follows:

Authority: 5 U.S.C. 301; 22 U.S.C. 3101-3108; and E.O. 11961 (3 CFR, 1977 Comp., p. 86), as amended by E.O. 12013 (3 CFR, 1977 Comp., p. 147), E.O. 12318 (3 CFR, 1981 Comp., p. 173), and E.O. 12518 (3 CFR, 1985 Comp., p. 348).

2. Section 806.17 is revised to read as follows:

§ 806.17 Rules and regulations for BE-12, Benchmark Survey of Foreign Direct Investment in the United States—1997

A BE-12, Benchmark Survey of Foreign Direct Investment in the United States will be conducted covering 1997. All legal authorities, provisions, definitions, and requirements contained in §§ 806.1 through 806.13 and § 806.15 (a) through (g) are applicable to this survey. Specific additional rules and regulations for the BE-12 survey are given in this section.

(a) *Response required.* A response is required from persons subject to the reporting requirements of the BE-12, Benchmark Survey of Foreign Direct Investment in the United States—1997, contained in this section, whether or not they are contacted by BEA. Also, a person, or their agent, contacted by BEA concerning their being subject to reporting, either by sending them a report form or by written inquiry, must respond in writing pursuant to § 806.4. This may be accomplished by completing and returning either Form BE-12(X) within 30 days of its receipt if Form BE-12(LF), Form BE-12(SF), or Form BE-12 Bank do not apply, or by completing and returning Form BE-12(LF), Form BE-12(SF), or Form BE-12 Bank, whichever is applicable, by May 31, 1998.

(b) *Who must report.* A BE-12 report is required for each U.S. affiliate, i.e., for each U.S. business enterprise in which a foreign person owned or controlled, directly or indirectly, 10 percent or more of the voting securities if an incorporated U.S. business enterprise, or an equivalent interest if an unincorporated U.S. business enterprise, at the end of the business enterprise's 1997 fiscal year. A report is required even though the foreign person's ownership interest in the U.S. business enterprise may have been established or acquired during the reporting period. Beneficial, not record, ownership is the basis of the reporting criteria.

(c) *Forms to be filed.* (2) Form BE-12(LF)—Benchmark Survey of Foreign Direct Investment in the United States—

1997 (Long Form) must be completed and filed by May 31, 1998, by each U.S. business enterprise that was a U.S. affiliate of a foreign person at the end of its 1997 fiscal year; if:

(i) It is not a bank, and
(ii) On a fully consolidated, or, in the case of real estate investment, an aggregated basis, one or more of the following three items for the U.S. affiliate (not just the foreign parent's share) exceeded \$100 million (positive or negative) at the end of, or for, its 1997 fiscal year:

(A) Total assets (do not net out liabilities);

(B) Sales or gross operating revenues, excluding sales taxes; or

(C) Net income after provision for U.S. income taxes.

(2) Form BE-12(SF)—Benchmark Survey of Foreign Direct Investment in the United States—1997 (Short Form) must be completed and filed by May 31, 1998, by each U.S. business enterprise that was a U.S. affiliate of a foreign person at the end of its 1997 fiscal year, if:

(i) It is not a bank, and
(ii) On a fully consolidated, or, in the case of real estate investments, an aggregated basis, one or more of the following three items for the U.S. affiliate (not just the foreign parent's share) exceeded \$3 million, but no one item exceeded \$100 million (positive or negative) at the end of, or for, its 1997 fiscal year.

(A) Total assets (do not net out liabilities);
(B) Sales or gross operating revenues, excluding sales taxes; or
(C) Net income after provision for U.S. income taxes.

(3) Form BE-12 Bank—Benchmark Survey of Foreign Direct Investment in the United States—1997 BANK must be completed and filed by May 31, 1998, by each U.S. business enterprise that was a U.S. affiliate of a foreign person at the end of its 1997 fiscal year, if:

(i) The U.S. affiliate is in "banking", which, for purposes of the BE-12 survey, covers businesses enterprises engaged in deposit banking or closely related functions, including commercial banks, Edge Act corporations engaged in international or foreign banking, U.S. branches and agencies of foreign banks whether or not they accept domestic deposits, savings and loans, savings banks, and bank holding companies, i.e., holding companies for which over 50 percent of their total income is from banks which they hold, and

(ii) On a fully consolidated basis, one or more of the following three items for the U.S. affiliate (not the foreign parent's share) exceeded \$3 million

(positive or negative) at the end of, or for, its 1997 fiscal year:

(A) Total assets (do not net out liabilities);

(B) Sales or gross operating revenues, excluding sales taxes; or

(C) Net income after provision for U.S. income taxes.

(4) Form BE-12(X)—Benchmark Survey of Foreign Direct Investment in the United States—1997, Claim for Exemption from Filing BE-12(LF), BE-12(SF), and BE-12 Bank must be completed and filed within 30 days of the date it was received, or by May 31, 1998, whichever is sooner, by:

(i) Each U.S. business enterprise that was a U.S. affiliate of a foreign person at the end of its 1997 fiscal year (whether or not the U.S. affiliate, or its agent, is contacted by BEA concerning its being subject to reporting in the 1997 benchmark survey), but is exempt from filing Form BE-12(LF), Form BE-12(SF), and Form BE-12 Bank; and

(ii) Each U.S. business enterprise, or its agent, that is contacted, in writing, by BEA concerning its being subject to reporting in the 1997 benchmark survey but that is not otherwise required to file the Form BE-12(LF), Form BE-12(SF), or Form BE-12 Bank.

(d) *Aggregation of real estate investments.* All real estate investments of a foreign person must be aggregated for the purpose of applying the reporting criteria. A single report form must be filed to report the aggregate holdings, unless written permission has been received from BEA to do otherwise. Those holdings not aggregated must be reported separately.

(e) *Exemption.* (1) A U.S. affiliate as consolidated, or aggregated in the case of real estate investments, is not required to file a Form BE-12(LF), BE-12(SF), or Form BE-12 Bank if each of the following three items for the U.S. affiliate (not just the foreign parent's share) did not exceed \$3 million (positive or negative) at the end of, or for, its 1997 fiscal year:

(i) Total assets (do not net out liabilities);

(ii) Sales or gross operating revenues, excluding sales taxes; and

(iii) Net income after provision for U.S. income taxes.

(2) If a U.S. business enterprise was a U.S. affiliate at the end of its 1997 fiscal year but is exempt from filing a completed Form BE-12(LF), BE-12(SF), or Form BE-12 Bank, it must nevertheless file a completed and certified Form BE-12(X).

(f) *Due date.* A fully completed and certified Form BE-12(LF), Form BE-12(SF), or BE-12 Bank is due to be filed with BEA not later than May 31, 1998.

A fully completed and certified Form BE-12(X) is due to be filed with BEA within 30 days of the date it was received, or by May 31, 1998, whichever is sooner.

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DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Part 206

RIN 1010-AC09

Workshops on Proposed Rule— Establishing Oil Value for Royalty Due on Federal Leases

AGENCY: Minerals Management Service, Interior.

ACTION: Notice of workshops.

SUMMARY: The Minerals Management Service (MMS) has reopened the public comment period under a proposed rule published in the **Federal Register** on January 24, 1997 (62 FR 3742), amending the royalty valuation regulations for crude oil produced from Federal leases. In the July 3, 1997, **Federal Register** (62 FR 36030), we published a supplementary notice of proposed rulemaking. We received a variety of comments on the proposed and supplementary proposed rules. In the September 22, 1997, **Federal Register** (62 FR 49460) we published a summary of these comments, outlined alternatives for proceeding with further rulemaking, and requested public comment on those or other suggested alternatives. In the September 26, 1997, **Federal Register** (62 FR 50544) we announced three workshops to discuss alternatives for proceeding with the rulemaking.

MMS will now hold three additional workshops to discuss alternatives for proceeding with the rulemaking. The main purpose of these workshops is to provide small producers an opportunity to learn more about the proposed rule and to obtain their comments on the alternatives described in the September 22, 1997, **Federal Register** notice (62 FR 49460), or any new alternatives or modifications to the proposed alternatives for MMS's consideration. We are not requesting comments on the original proposed rule or the supplemental proposed rule, nor on the summary of comments outlined in the September 22, 1997, **Federal Register** notice (62 FR 49460). Interested parties are invited to attend and participate in these workshops.

DATES: Comments on the notice reopening the comment period must be submitted to MMS by October 22, 1997.

The workshops will be held as follows:

Workshop 1: Bakersfield, CA, October 16, 1997, from 1 p.m. to 4:30 p.m., Pacific time.

Workshop 2: Casper, WY, October 16, 1997, from 1 p.m. to 4:30 p.m., Mountain time.

Workshop 3: Roswell, NM, October 21, 1997, from 1:30 p.m. to 5:00 p.m., Mountain time.

ADDRESSES: Workshop 1 will be held in the Bakersfield District Office, Bureau of Land Management, 3801 Pegasus Drive, Bakersfield, CA 93308-6837, telephone (805) 391-6000.

Workshop 2 will be held in the Casper District Office, Bureau of Land Management, 1701 East "E" Street, Casper, WY 82601, telephone (307) 261-7600.

Workshop 3 will be held in the Roswell District Office, Bureau of Land Management, 2909 West 2nd Street, Roswell, NM 88201, telephone (505) 627-0272.

FOR FURTHER INFORMATION CONTACT:

Peter Christnacht or Sheila Dean, Royalty Valuation Division, Royalty Management Program, Minerals Management Service, P.O. Box 25165, MS 3151, Denver, CO 80225-0165, telephone numbers (303) 275-7252 and (303) 275-7201, respectively; or David S. Guzy, Chief, Rules and Publications Staff, Royalty Management Program, Minerals Management Service, P.O. Box 25165, MS 3021, Denver, CO 80225-0165; telephone (303) 231-3432; fax number (303) 231-3385; e-Mail David_Guzy@mms.gov.

SUPPLEMENTARY INFORMATION: These three workshops will be open to the public in order to discuss the alternatives described in the September 22, 1997, Notice (62 FR 49460).

While MMS is hosting other workshops involving industry organizations and States, the intent of the Bakersfield, Casper, and Roswell workshops is to provide information to, and receive comments from, small oil producers at locations near their operations to minimize their travel. However, other interested parties are welcome. We encourage a workshop atmosphere where members of the public participate in a discussion of the alternatives. Space is limited. However, attendees should reserve slots with Peter Christnacht or Shelia Dean at the telephone numbers in the **FOR FUTURE INFORMATION CONTACT** section of this notice no later than October 15, 1997. For building security measures, each