would have resulted in a reduction of 10.87 percent from total units allocated for 1997. Accordingly, we have revised the 1998 duty-exemption such that the total annual duty-exemption has been reduced by no more than 10 percent from the preceding year. Because all but the Virgin Islands have been allocated the minimum allowable units, we have revised the Virgin Islands annual duty-exemption upwards from the proposed limit of 2,600,000 units to 2,640,000 units. While this change for the Virgin Islands represents a decrease of 14.84 percent from the 1997 allocation of 3,100,000 units, the total exemption for all of the insular possessions and the Northern Mariana Islands is within the governing 10 percent limit set out in the Departments' Regulation. 15 CFR 303.3(b)(2). As we discuss further in the ''Regulatory Flexibility Act'' section, we believe these allocations are more than sufficient to meet the needs of the watch companies subject to these regulations.

The insular possessions watch industry provision in Sec. 110 of Pub. L. No. 97–446 (96 Stat. 2331) (1983) as amended by Sec. 602 of Pub. L. No. 103–465 (108 Stat. 4991) (1994) additional U.S. Note 5 to chapter 91 of the Harmonized Tariff Schedule requires the Secretary of Commerce and the Secretary of the Interior, acting jointly, to establish a limit on the quantity of watches and watch movements which may be entered free of duty during each calendar year. The law also requires the Secretaries to establish the shares of this limited quantity which may be entered from the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands. Regulations on the establishment of these quantities and shares are contained in Sec. 303.3 and 303.4 of title 15, Code of Federal Regulations (15 CFR 303.3 and 303.4). The Departments establish for calendar year 1998 a total quantity of 4,140,000 units and respective territorial shares as shown in the following table:

Virgin Islands	2,640,000
Guam	500,000
American Samoa	500,000
Northern Mariana Islands	500,000

The rule also modifies section 303.6(a) by allowing producers to provide other means of verification satisfactory to the Secretaries when we are unable to verify shipments through the U.S. Customs Service.

This final rule does not contain policies with Federalism implications sufficient to warrant preparation of a Federalism assessment under Executive Order 12612.

Regulatory Flexibility Act

In accordance with the Regulatory Flexibility Act, 5 U.S.C. 601 et seq., the Assistant General Counsel for Legislation and Regulation has certified to the Chief Counsel, Small Business Administration, that the rule will not have a significant economic impact on a substantial number of small entities. This is because the rulemaking affects only the five watch companies currently participating in the insular possessions watch program, all of which are located in the Virgin Islands. In 1996 these companies used less than half of the territorial share of duty-exemption for the Virgin Islands. Production to date (according to monthly watch production reports received from the Government of the Virgin Islands) indicates that these same companies will again use less than half the territorial share allocated for 1997. Based on these facts, we conclude that the annual duty-exemption allocation of 2,640,000 units will more than adequately meet the aggregate requirements of these Virgin Islands companies for calendar year 1998. Accordingly, the 1998 annual duty-exemption established for the Virgin Islands should not impose any cost or have any economic effect on these small companies.

This action establishes the respective amounts available for allocation. The allocation itself, based on verified data contained in the companies' annual applications due by January 31, 1998, will be published later in 1998, pursuant to 15 CFR 303.5 and 303.6.

Paperwork Reduction Act

This rulemaking involves information collection activities subject to the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 et seq. which are currently approved by the Office of Management and Budget under control number 0625–0134. The amendments would have no effect on the information burden on the public.

Notwithstanding any other provision 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 unless it displays a currently valid OMB Control Number.

It has been determined that this rule is not significant for purposes of Executive Order 12866.

List of Subjects in 15 CFR Part 303

Administrative practice and procedure, American Samoa, Customs duties and inspection, Guam, Imports, Marketing quotas, Northern Mariana Islands, Reporting and recordkeeping requirements, Virgin Islands, Watches and jewelry.

For reasons set forth above, we are amending 15 CFR Part 303 as follows:

PART 303—[AMENDED]

1. The authority citation for 15 CFR Part 303 continues to read as follows:

Authority: Pub. L. 94–241, 90 Stat. 263 (48 U.S.C. 1681, note); Pub. L. 97–446, 96 Stat. 2331 (19 U.S.C. 1202, note); Pub. L. 103–465, 108 Stat. 4991.

§ 303.6 [Amended]

2. Section 303.6(a) is amended by adding to the second to last sentence '', or verified by other means satisfactory to the Secretaries,'' after the words U.S. Customs Service.

§ 303.14 [Amended]

3. Section 303.14(e) is amended by removing ''3,100,000'' and adding ''2,640,000'' in its place.

Robert S. LaRussa,

Assistant Secretary for Import Administration.

Allen Stayman,

Director, Office of Insular Affairs.

[FR Doc. 98–2893 Filed 2–4–98; 8:45 am]

BILLING CODE 3510–DS–P, 4310–93–P

DEPARTMENT OF THE INTERIOR

Office of Surface Mining Reclamation and Enforcement

30 CFR Part 946

[VA–111–FOR]

Virginia Abandoned Mine Land Reclamation Plan

AGENCY: Office of Surface Mining Reclamation and Enforcement (OSM), Interior.

ACTION: Final rule; approval of amendment.

SUMMARY: OSM is announcing the approval of a proposed amendment to the Virginia Abandoned Mine Land Reclamation (AMLR) Program (hereinafter referred to as the Virginia Program) under the Surface Mining Control and Reclamation Act of 1977 (SMCRA), 30 U.S.C. 1201 *et seq.*, as amended. The proposed amendment makes changes to the Ranking and Selection section and to the AML Water Project Evaluation form. The amendment is intended to revise the Virginia program to be consistent with SMCRA, and to improve the efficiency of the Virginia program.

EFFECTIVE DATE: February 5, 1998.

FOR FURTHER INFORMATION CONTACT: Mr. Robert A. Penn, Director, Big Stone Gap

Field Office, Telephone: (540) 523–4303.

SUPPLEMENTARY INFORMATION:

I. Background on the Virginia Plan
II. Submission of the Proposed Amendment
III. Director's Findings
IV. Summary and Disposition of Comments
V. Director's Decision
VI. Procedural Determinations

I. Background on the Virginia Plan

On December 15, 1981, the Secretary of the Interior conditionally approved the Virginia program. Background on the Virginia program, including the Secretary's findings, the disposition of comments, and the conditions of approval can be found in the December 15, 1981 **Federal Register** (46 FR 61085–61115). Subsequent actions concerning the conditions of approval and AMLR program amendments are identified at 30 CFR 946.20 and 946.25.

II. Submission of the Proposed Amendment

By letter dated September 19, 1997 (Administrative Record Number VA–926), the Division of Mined Land Reclamation (DMLR) of the Department of Mines, Minerals and Energy (DMME) of the Commonwealth of Virginia submitted changes to the approved Virginia plan. The amendment makes changes to the Ranking and Selection section of the Virginia plan, concerning Acid Mine Drainage Abatement—Treatment. The amendment also changes the AML Water Project Evaluation form.

OSM announced receipt of the proposed amendment in the October 14, 1997, **Federal Register** (62 FR 53275), and in the same document opened the public comment period and provided an opportunity for a public hearing on the adequacy of the proposed amendment. The public comment period closed on November 13, 1997. No public hearing was requested, so none was held.

III. Director's Findings

As discussed below, the Director, in accordance with SMCRA and 30 CFR 884.14 and 884.15, finds that the proposed plan amendments submitted by Virginia on September 19, 1997, meet the requirements of the corresponding Federal regulations and is consistent with SMCRA.

Ranking and Selection 884.13(c)(2)

In this section, Virginia changed the heading of the paragraph titled ''*Acid Mine Drainage Abatement—Treatment*'' to read ''*Set Aside Funds,*'' revised the language of that subsection to include the provisions of Part A of section 402(g)(6) of SMCRA.

The revised language is as follows:

Set Aside Funds

In accordance with Section 402(g)(6) of SMCRA, Virginia may, without regard to the 3 year limitation referred to in Section 402(g)(1)(D) of SMCRA, receive and retain up to 10 percent of the total grants made annually under Section 402(g)(1) and (5) of SMCRA by the Secretary for deposit into either:

A. A special trust fund established under State law pursuant to which such amounts (together with all interest earned on such amounts) are expended by Virginia solely to achieve the priorities stated in section 403(a) of SMCRA after September 30, 1995, or

B. An acid mine drainage abatement and treatment fund established under State law as provided for under 30 CFR Part 876. An interest bearing acid mine drainage abatement and treatment fund will be utilized by Virginia, in consultation with the Natural Resources Conservation Service, to implement acid mine drainage abatement—treatment plans approved by the Secretary of the Interior.

The remainder of the previously-existing section (formerly entitled ''Acid Mine Drainage Abatement—Treatment'' remains unchanged, and is quoted below.

These plans shall provide for the comprehensive abatement of the causes and treatment of the effects of acid mine drainage within qualified hydrologic units affected by coal mining practices. The plan shall include, but shall not be limited to, each of the following:

(a) An identification of the qualified hydrologic unit.

(b) The extent to which acid mine drainage is affecting the water quality and biological resources within the hydrologic unit.

(c) An identification of the sources of acid mine drainage within the hydrologic unit.

(d) An identification of individual projects and the measures proposed to be undertaken to abate and treat the causes or effects of acid mine drainage within the hydrologic unit.

(e) The cost of undertaking the proposed abatement and treatment measures.

(f) An identification of existing and proposed sources of funding for such measures.

(g) An analysis of the cost-effectiveness and environmental benefits of abatement and treatment measures.

Under this program, the term ''qualified hydrologic unit'' means a hydrologic unit.

(a) in which the water quality has been significantly affected by acid mine drainage from coal mining practices in a manner which adversely impacts biological resources; and

(b) which contains lands and water that are:

1. eligible pursuant to Section 404 and include any of the priorities stated in SMCRA paragraph (1), (2), or (3) of Section 403(a); and

2. proposed to be the subject of the expenditures by the State from amounts available from the forfeiture of bonds required under Section 509 or from other State sources to mitigate acid mine drainage.

The Director finds that the provisions of this amendment are either substantively identical to or no less stringent than § 402 (g)(6) and (g)(7) of SMCRA and meet the requirements of the Federal regulations at 30 CFR 844.13(c)(2) and can be approved.

AML Water Project Evaluation Form

The AML Water Project Evaluation form is currently part of the approved Virginia program. Virginia changed four sections of the form, and provided the following rationale for the changes.

Appropriate Project Costs (Cost per Connection)

That this section was revised to more realistically reflect the cost/hook-ups being experienced. Most cost/hook-ups now reflect a 10,000–20,000 range. This is because of the high cost for construction due to the distance between households, and the mountainous terrain.

Affordability

''Costs for 4,200 gal. of treated water'' was changed to read ''Costs for 3,500 gal. of treated water'' to show the average use and to match usage rates used by other funding agencies as reflected in the review manual application.

Level of Commitment of Non-AML Funds

The points award were modified to encourage local funding and leverage AML funding to the maximum extent possible.

AML Bonus Award

The new review category is meant to promote and encourage awards to proposed projects which incorporate regionalization and consolidated management. Regionalization of water systems reduces costs and promotes efficiency in providing water to the greatest number of households. Points awarded for this will be between 1–5, and a total perfect score will now be 105. The average score on projects is 60–80.

The Director finds that the explanation provided by Virginia for the revision to the form appears reasonable and justified. Further, the rationale also appears to reflect Virginia's intent to further direct Virginia's efforts toward achieving AML reclamation and hazard abatement consistent with the reclamation priorities system contained within § 403(a) and § 411 of SMCRA. Therefore, the Director finds that the proposed amendments are not inconsistent with the Federal regulations at 30 CFR 884.13(c)(2) concerning ranking and selection and can be approved.

In addition to the above changes to the form, Virginia requested that the AML Water Project Evaluation form—figure 2 be removed from the AML State Reclamation Plan and placed into the Administrative Record. However, the form will still be referenced in the

Virginia plan. Virginia explained that the dynamic nature of this form may require that the form be further amended in the future. Therefore, removal of the form from the Virginia plan and placing the form separately into the Administrative Record will allow the form to be quickly amended as needed. The Director is complying with the State's request but notes, however, that since the form is part of Virginia's approved process for ranking and selecting water projects under 30 CFR 884.13(c)(2) and Part 874, any future substantive changes made to the form must be submitted to OSM for approval as part of a proposed program amendment. Therefore, the Director is placing the AML Water Project Evaluation form into the administrative record at Administrative Record Number VA–927 with the understanding that any future substantive changes made to the form must be submitted to OSM for approval as part of a proposed program amendment.

IV. Summary and Disposition of Comments

Public Comments

The Director solicited public comments and provided an opportunity for a public hearing on the proposed amendment. No public comments were received in response to the public comment period that ended on November 13, 1997. Because no one requested an opportunity to speak at a public hearing, no hearing was held.

Federal Agency Comments

Pursuant to 884.14(a)(2) and 884.15(a), OSM solicited comments on the proposed amendment from various other Federal agencies with an actual or potential interest in the Virginia plan (Administrative Record number VA–928). Responses were received from the U.S. Fish and Wildlife Service (USFWS), U.S. Department of Agriculture, Natural Resources Conservation Service (NRCS), and the U.S. Department of Labor, Mine Safety and Health Administration (MSHA).

MSHA responded that the proposed measures appear to be adequate to serve the intended purpose. NRCS stated that the amendments be accepted with one comment noted. NRCS said that part VI—Bonus Awards of the AML Water Project Evaluation form lists no ranking criteria and thus appears to be subjective. In response, the Director notes that Virginia has clearly identified the focus of the 5-point bonus award and does have criteria for the bonus award. In its submittal of this amendment, Virginia explained that the bonus award will be awarded to projects which incorporate regionalization and consolidated management. The DMLR noted that such regionalization of water systems reduces costs and promotes efficiency in providing water to the greatest number of households. In addition, by letter dated December 5, 1997 (Administrative Record Number VA–940), the DMLR responded to the NRCS comment. The DMLR stated that regional project criteria may include interconnection with other authorities, consolidation of management, operation, maintenance or distribution systems among smaller system authorities or guidance of significant local funding from more than one service provider in a regional project. DMLR further stated that projects with a regional scope will be awarded a greater number of points if executed contracts are finalized versus projects where there has been merely a discussion of a regional project, but no specific activities have been completed which demonstrate progress toward regionalization. As noted above in the findings, the Director has determined that the proposed provision is not inconsistent with the Federal regulations at 30 CFR 884.13(c)(2) concerning ranking and selection and can be approved.

USFWS responded (Administrative Record Number VA–937) and recommended that subparagraph (b) of the section newly titled ''Set Aside Funds'' be revised by adding the words ''A physical, chemical, and biological assessment of'' to the beginning of the subparagraph. USFWS explained that the change would clarify how the extent of the acid mine drainage effects to water quality and biological resources should be assessed. In response, the Director notes that the provision commented on by USFWS is not being amended by Virginia and, therefore, is beyond the scope of this amendment. In addition, the provision commented on by the USFWS is identical to its counterpart in SMCRA at § 402(g)(7)(B)(ii).

Environmental Protection Agency (EPA)

Pursuant to 30 CFR 732.17(h)(11)(ii), the Director is required to obtain the written concurrence of the Administrator of EPA with respect to those provisions of the proposed plan amendment that relate to air or water quality standards promulgated under the authority of the Clean Air Act (42 U.S.C. 7401 *et seq.*) or the Clean Water Act (33 U.S.C. 1252 *et seq.*). The Director has determined that the proposed amendments contain no provisions in these categories and that EPA's concurrence is not required.

Pursuant to 732.17(h)(11)(I), OSM solicited comments on the proposed amendments from the EPA. No comments were received from the EPA.

State Historical Preservation Officer (SHPO) and the Advisory Council on Historic Preservation (ACHP)

Pursuant to 30 CFR 732.17(h)(4), OSM solicited comments on the proposed amendment from the SHPO and ACHP. No comments were received.

V. Director's Decision

Based on the above findings, the Director is approving the proposed AMLR plan amendment as submitted by Virginia on September 19, 1997.

The Federal regulations at 30 CFR 946.25, codifying decisions concerning the Virginia plan amendments, are being amended to implement this decision. This final rule is being made effective immediately to expedite the State plan amendment process and to encourage States to bring their plans into conformity with the Federal standards without undue delay. Consistency of State and Federal standards is required by SMCRA.

VI. Procedural Determinations

Executive Order 12866

This proposed rule is exempted from review by the Office of Management and Budget (OMB) under Executive Order 12866 (Regulatory Planning and Review).

Executive Order 12988

The Department of the Interior has conducted the reviews required by section 3 of Executive Order 12988 (Civil Justice Reform) and has determined that, to the extent allowed by law, this rule meets the applicable standards of subsections (a) and (b) of that section. However, these standards are not applicable to the actual language of State and Tribal abandoned mine land reclamation plans and revisions thereof since each such plan is drafted and promulgated by a specific State or Tribal, not by OSM. Decisions on proposed abandoned mine land reclamation plans and revisions thereof submitted by a State or Tribe are based on a determination of whether the submittal meets the requirements of Title IV of SMCRA (30 U.S.C. 1231–1243) and 30 CFR Parts 884 and 888.

National Environmental Policy Act

No environmental impact statement is required for this rule since agency decisions on proposed State and Tribal abandoned mine land reclamation plans

and revisions thereof are categorically excluded from compliance with the National Environmental Policy Act (42 U.S.C. 4332) by the Manual of the Department of the Interior (516 DM 6, appendix 8, paragraph 8.4B(29)).

Paperwork Reduction Act

This rule does not contain information collection requirements that require approval by OMB under the Paperwork Reduction Act (44 U.S.C. 3507 *et seq.*).

Regulatory Flexibility Act

The Department of the Interior has determined that this rule will not have a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). The State submittal which is the subject of this rule is based upon corresponding Federal regulations for which an economic analysis was prepared and certification made that such regulations would have a significant economic effect upon a substantial number of small entities. Accordingly, this rule will ensure that existing requirements previously promulgated by OSM will be implemented by the State. In making the determination as to whether this rule would have a significant economic impact, the Department relied upon the data and assumptions in the analyses for the corresponding Federal regulations.

Unfunded Mandates

This rule will not impose a cost of $100 million or more in any given year on any governmental entity or the private sector.

List of Subjects in 30 CFR Part 964

Intergovernmental relations, Surface mining, Underground mining.

Dated: January 16, 1998.

Ronald C. Recker,

Acting Regional Director, Appalachian Regional Coordinating Center.

For the reasons set out in the preamble, title 30, chapter VII, subchapter T of the Code of Federal Regulations is amended as set forth below:

PART 946—VIRGINIA

1. The authority citation for part 946 continues to read as follows:

Authority: 30 U.S.C. 1201 *et seq.*

2. Section 946.25 is amended in the table for paragraph (a) by adding a new entry in chronological order by ''Date of Final Publication'' to read as follows:

§ 946.25 Approval of Virginia abandoned mine land reclamation plan amendments.

(a) * * *

Original amendment submission date	Date of final publication	Citation/description
* *	* *	* * *
September 19, 1997	[Insert date of publication in the Federal Register].	Revisions to the Virginia State Reclamation Plan corresponding to 30 CFR 884.13(c)(2)—Ranking and Selection: Set Aside Funds; and the AML Water Project Evaluation form.

[FR Doc. 98–2779 Filed 2–4–98; 8:45 am]
BILLING CODE 4310–05–M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Parts 60 and 61

[FRL–5962–4]

Standards of Performance for New Stationary Sources and National Emission Standards for Hazardous Air Pollutants: Approval of Delegation of Authority to New Mexico

AGENCY: Environmental Protection Agency (EPA).

ACTION: Delegation of authority.

SUMMARY: The EPA is approving the delegation of authority to the State of New Mexico to implement and enforce the New Source Performance Standards (NSPS) and National Emission Standards for Hazardous Air Pollutants (NESHAP). The provisions of full authority apply to all of the NSPS and NESHAP promulgated by the EPA from April 1, 1996, through July 1, 1997. Partial authority covers all new and amended standards promulgated after these dates. The delegation of authority, under this document, does not apply to: the sources located in Bernalillo County, New Mexico; the sources located on Indian lands as specified in the delegation agreement and in this notice; the standards of performance for new residential wood heaters (subpart AAA) under 40 CFR part 60; and NESHAP radionuclide standards specified under 40 CFR part 61.

EFFECTIVE DATE: February 5, 1998.

ADDRESSES: The New Mexico Environment Department's request and delegation agreement may be obtained by writing to one of the following addresses:

Mr. Thomas H. Diggs, Chief, Air Planning Section (6PD–L), Environmental Protection Agency, 1445 Ross Avenue, Suite 700, Dallas, TX 75202, telephone: (214) 665–7214.

Air Quality Bureau, New Mexico Environment Department (NMED), Harold Runnels Building, Room So. 2100, 1190 St. Francis Drive, Santa Fe, NM 87502, telephone: (505) 827–0042.

FOR FURTHER INFORMATION CONTACT: Mr. Ken Boyce, Air Planning Section (6PD–L), Environmental Protection Agency, 1445 Ross Avenue, Suite 700, Dallas, Texas 75202, telephone: (214) 665–7259.

SUPPLEMENTARY INFORMATION: Section 301, in conjunction with sections 110, 111(c)(1) and 112(l)(1) of the Clean Air Act (the Act), authorize the EPA to delegate authority to implement and enforce the standards set out in 40 CFR part 60, New Source Performance Standards and 40 CFR part 61, National Emission Standards for Hazardous Air Pollutants. Authority for the NSPS and NESHAP programs was delegated to the State of New Mexico (except for sources located in Bernalillo County and on Indian lands) on March 15, 1985.

The State requested the EPA to update the delegation of authority to the State for the NSPS and NESHAP programs from April 1, 1996, through July 1, 1997. The State's request includes a revision of Air Quality Control Regulations (AQCR) 20 NMAC 2.77 and 20 NMAC 2.78 as adopted by the New Mexico Environmental Improvement Board. These revisions incorporated the Federal NSPS and NESHAP by reference through July 1, 1997. The effective date of the Federal delegation for NSPS under section 111 will continue to be the EPA's letter of approval of the State's request for the NSPS delegation update.

The title V **Federal Register** (FR) document (59 *FR* 59656–59660, (November 18, 1994)) outlined the State's plans to continue to incorporate by reference the Federal section 112 requirements regarding hazardous air pollutants into the New Mexico Air