according to the manufacturer’s specifications. These items are controlled under ECCN 5A992.

Related Definitions: (1) The term “money transactions” in paragraph (e) of Related Controls includes the collection and settlement of fines or credit functions. (2) For the control of global navigation satellite systems receiving equipment containing or employing decryption (e.g., GPS or GLONASS) see 7A005.

**Items:**

1. **Technical Note:** Parity bits are not included in the key length.

   a. Systems, equipment, application specific “electronic assemblies”, modules and integrated circuits for “information security”, and other specially designed components therefor:

   a.1. Designed or modified to use “cryptography” employing digital techniques performing any cryptographic function other than authentication or digital signature having any of the following:

   **Technical Notes:**

   1. Authentication and digital signature functions include their associated key management function.

   2. Authentication includes all aspects of access control where there is no encryption of files or text except as directly related to the protection of passwords, Personal Identification Numbers (PINs) or similar data to prevent unauthorized access.

   3. “Cryptography” does not include “fixed” data compression or coding techniques.

   **Note:** 5A002.a.1 includes equipment designed or modified to use “cryptography” employing analog principles when implemented with digital techniques.

   a.1.a. A “symmetric algorithm” employing a key length in excess of 56-bits; or

   a.1.b. An “asymmetric algorithm” where the security of the algorithm is based on any of the following:

   a.1.b.1. Factorization of integers in excess of 512 bits (e.g., RSA);

   a.1.b.2. Computation of discrete logarithms in a multiplicative group of a finite field of size greater than 512 bits (e.g., Diffie-Hellman over $\mathbb{Z}/p\mathbb{Z}$); or

   a.1.b.3. Discrete logarithms in a group other than mentioned in 5A002.a.1.b.2 in excess of 112 bits (e.g., Diffie-Hellman over an elliptic curve);

   a.2. Designed or modified to perform cryptanalytic functions;

   a.3. [Reserved]

   a.4. Specially designed or modified to reduce the compromising emanations of information-bearing signals beyond what is necessary for health, safety or electromagnetic interference standards;

   a.5. Designed or modified to use cryptographic techniques to generate the spreading code for “spread spectrum” systems, including the hopping code for “frequency hopping” systems;

   a.6. Designed or modified to provide certified or certifiable “multilevel security” or user isolation at a level exceeding Class B2 of the Trusted Computer System Evaluation Criteria (TCSEC) or equivalent;

   a.7. Communications cable systems designed or modified using mechanical, electrical or electronic means to detect surreptitious intrusion.

**5A992 Equipment not controlled by 5A002.**

<table>
<thead>
<tr>
<th><strong>List of Items Controlled</strong></th>
<th><strong>Unit:</strong> $ value</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Related Controls:</strong> N/A</td>
<td><strong>Related Definitions:</strong> N/A</td>
</tr>
<tr>
<td><strong>Items:</strong></td>
<td></td>
</tr>
<tr>
<td>a. Telecommunications and other information security equipment containing encryption.</td>
<td></td>
</tr>
<tr>
<td>b. “Information security” equipment, n.e.s. (e.g., cryptographic, cryptanalytic, and cryptologic equipment, n.e.s.)</td>
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</table>

**5D992 “Information Security” “software” not controlled by 5D002.**

<table>
<thead>
<tr>
<th><strong>List of Items Controlled</strong></th>
<th><strong>Unit:</strong> $ value</th>
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<tbody>
<tr>
<td><strong>Related Controls:</strong> N/A</td>
<td><strong>Related Definitions:</strong> N/A</td>
</tr>
<tr>
<td><strong>Items:</strong></td>
<td></td>
</tr>
<tr>
<td>a. “Software”, as follows:</td>
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<tr>
<td>a.1. “Software” specially designed or modified for the “development”, “production”, or “use” of telecommunications and other information security equipment containing encryption (e.g., equipment controlled by 5A992.a);</td>
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<tr>
<td>b. “Software”, as follows:</td>
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<tr>
<td>b.1. “Software” having the characteristics, or performing or simulating the functions of the equipment controlled by 5A992.a;</td>
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<tr>
<td>c. “Software” designed or modified to protect against malicious computer damage, e.g., viruses.</td>
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**5E992 “Information Security” “technology”, not controlled by 5E002.**

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<thead>
<tr>
<th><strong>List of Items Controlled</strong></th>
<th><strong>Unit:</strong></th>
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</thead>
<tbody>
<tr>
<td><strong>Related Controls:</strong> N/A</td>
<td><strong>Related Definitions:</strong> N/A</td>
</tr>
<tr>
<td><strong>Items:</strong></td>
<td></td>
</tr>
<tr>
<td>a. “Technology” n.e.s., for the “development”, “production” or “use” of telecommunications equipment and other information security and containing encryption (e.g., equipment controlled by 5A992.a) or “software” controlled by 5D992.a.1 or b.1.</td>
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</tr>
<tr>
<td>b. “Technology”, n.e.s., for the “development”, “production” or “use” of “information security” or cryptologic equipment (e.g., equipment controlled by 5A992.b), or “software” controlled by 5D992.a.2, b.2, or c.</td>
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</tbody>
</table>

**DEPARTMENT OF LABOR**

**Occupational Safety and Health Administration**

**29 CFR Part 1952**

**North Carolina State Plan: Coverage of the American National Red Cross; Change in Level of Federal Enforcement**

**AGENCY:** Occupational Safety and Health Administration (OSHA), U.S. Department of Labor.

**ACTION:** Final rule.

**SUMMARY:** This document amends OSHA regulations to reflect the Assistant Secretary’s approval of a change to the North Carolina occupational safety and health state plan excluding coverage of the American National Red Cross and its facilities from the plan and assumption of Federal enforcement authority over the American National Red Cross in North Carolina.

**EFFECTIVE DATE:** October 19, 2000.

**FOR FURTHER INFORMATION CONTACT:** Bonnie Friedman, Director, Office of Information and Consumer Affairs, Occupational Safety and Health Administration, U.S. Department of Labor, Room N3637, 200 Constitution Avenue NW., Washington, DC 20210, (202) 693–1999.

**SUPPLEMENTARY INFORMATION:**

A. Background

Section 18 of the Occupational Safety and Health Act of 1970 (the Act), 29 U.S.C. 667, provides that States which wish to assume responsibility for developing and enforcing their own occupational safety and health standards may do so by submitting and obtaining Federal approval of a State plan. State plan approval occurs in stages which include initial approval under section 18(b) of the Act and, ultimately, final approval under section 18(e).

The North Carolina State plan was initially approved on February 1, 1973 (38 FR 3041). On December 18, 1996, OSHA announced the final approval of the North Carolina State plan pursuant to section 18(e) and amended Subpart I of 29 CFR part 1952 to reflect the Assistant Secretary’s decision (61 FR
66593). As a result, Federal OSHA relinquished its authority with regard to occupational safety and health issues covered by the North Carolina plan. Federal OSHA retained its authority over Federal government employers and employees; the U.S. Postal Service (USPS), including USPS employees, and contract employees and contractor-operated facilities engaged in USPS mail operations; private sector maritime activities; employment on Indian reservations; enforcement relating to any contractors or subcontractors on any Federal establishment where the land has been ceded to the Federal Government; railroad employment; and enforcement on military bases.

29 CFR 1952.155, which codifies OSHA's final approval decision, provides that any hazard, industry, geographical area, operation or facility over which the State is unable to effectively exercise jurisdiction for reasons not related to the required performance or structure of the plan shall be deemed to be an issue not covered by the plan and shall be subject to Federal enforcement.

In response to jurisdictional questions raised concerning a local chapter of the American National Red Cross, the North Carolina Department of Labor, the State agency responsible for occupational safety and health enforcement, sought a determination from its Attorney General regarding the State’s jurisdiction over working conditions at American National Red Cross facilities. On February 4, 2000, the North Carolina Attorney General’s Office issued a determination which concluded the “Red Cross” to be an “instrumentality of the federal government” within the meaning of North Carolina General Statute § 95-128, which provides that the State Occupational Safety and Health Act applies to all employers and employees except “the federal government, including its departments, agencies and instrumentalities.” Thus, North Carolina has concluded that it does not have authority under State law to regulate safety and health with regard to working conditions of employees at the American National Red Cross. The State now has requested that such facilities be excluded from coverage under its State plan and that Federal OSHA assume enforcement authority.

Although Federal OSHA believes that most States with OSHA-approved State plans have authority under State law to regulate working conditions of employees of the American National Red Cross and that the Red Cross is not a Federal instrumentality, North Carolina law has a somewhat different provision which it has been interpreted by the State Attorney General’s Office to preclude State OSHA coverage. Therefore, since the State has excluded the American National Red Cross from coverage under its plan and Federal OSHA has determined that Federal coverage of American National Red Cross facilities would be administratively practicable, Federal OSHA will assume jurisdiction over the American National Red Cross facilities in North Carolina.

B. Location of Supplement for Inspection and Copying

A copy of the North Carolina Attorney General determination referenced in this notice as well as information on the North Carolina plan is available during normal business hours at the following locations:

Office of State Programs, Occupational Safety and Health Administration, U.S. Department of Labor, 200 Constitution Avenue NW, Room N3700, Washington, DC 20210; Office of the Regional Administrator, Occupational Safety and Health Administration, U.S. Department of Labor, Atlanta Federal Center, 61 Forsyth Street, SW, Room 6T50, Atlanta, Georgia 30303; and Office of the Commissioner, North Carolina Department of Labor, 4 West Edenton Street, Raleigh, North Carolina 27601–1092.

For electronic copies of this notice, visit OSHA’s Web Page at http://www.osha.gov/.

C. Public Participation

Under 29 CFR 1953.2(c), the Assistant Secretary may prescribe alternative procedures to expedite the review process or for other good cause which may be consistent with applicable laws. North Carolina’s Final Approval determination issued after an opportunity for public comment in 1996, specifically provides that Federal standards and enforcement will apply to safety or health issues the State is unable to cover under its State plan, and this notice implements that provision. Accordingly, OSHA finds that further public participation is not necessary.

D. Decision

To assure worker protection under the OSH Act, Federal OSHA will assume jurisdiction over the American National Red Cross and its facilities in North Carolina. OSHA is hereby amending 29 CFR part 1952, Subpart I, to reflect this change in the scope of the State plan and the level of Federal enforcement in North Carolina.

E. Regulatory Flexibility Act

OSHA certifies pursuant to the Regulatory Flexibility Act of 1980 (5 U.S.C. 601 et seq.) that this action will not have a significant economic impact on a substantial number of small entities. No additional burden will be placed upon the State government beyond the responsibilities already assumed as part of the approved State plan.

F. Federalism

Executive Order 13132 on “Federalism” emphasizes consultation between Federal agencies and the States and establishes specific review procedures the Federal government must follow as it carries out policies which affect State or local governments. OSHA has included in the Supplementary Information section of today’s notice a general explanation of the relationship between Federal OSHA and the State Plan States under the Occupational Safety and Health Act. OSHA has consulted with the State on its decision on this issue. Although OSHA has determined that the requirements and consultation procedures provided in Executive Order 13132 are not applicable to State decisions on the extent of State Plan coverage under the OSH Act which have no effect outside the particular State, OSHA has reviewed the decision approved today and believes it has been made in a manner consistent with the principles and criteria set forth in the Executive Order.

This document was prepared under the direction of Charles N. Jeffress, Assistant Secretary of Labor for Occupational Safety and Health. It is issued under section 18 of the OSH Act, (29 U.S.C. 667), 29 CFR Part 1902, and Secretary of Labor’s Order No. 1–90 (55 FR 9033).

List of Subjects in 29 CFR Part 1952

Intergovernmental relations, Law enforcement, Occupational safety and health, Reporting and recordkeeping requirements.

Signed at Washington, D.C. this 13 day of October 2000.

Charles N. Jeffress, Assistant Secretary.

For the reasons set out in the preamble, 29 CFR part 1952 is hereby amended as set forth below:

PART 1952—[AMENDED]

1. The authority citation for part 1952 continues to read as follows:

Authority: Sec. 18, 84 Stat. 1608 (29 U.S.C. 667); 29 CFR part 1902. Secretary of Labor’s Order No. 1–90 (55 FR 9033).
Subpart I—North Carolina

2. Section 1952.154 is amended by revising paragraph (b) to read as follows:

§ 1952.154 Final approval determination.

(b) Except as otherwise noted, the plan which has received final approval covers all activities of employers and all places of employment in North Carolina. The plan does not cover Federal government employers and employees; the U.S. Postal Service (USPS), including USPS employees, and contract employees and contractor-operated facilities engaged in USPS mail operations; the American National Red Cross; private sector maritime activities; employment on Indian reservations; enforcement relating to any contractors or subcontractors on any Federal establishment where the land has been ceded to the Federal Government; railroad employment; and enforcement on military bases.

3. Section 1952.155 is amended by revising paragraph (b)(1) to read as follows:

§ 1952.155 Level of Federal enforcement.

(b)(1) In accordance with section 18(e), final approval relinquishes Federal OSHA authority only with regard to occupational safety and health issues covered by the North Carolina plan. OSHA retains full authority over issues which are not subject to State enforcement under the plan. Thus, Federal OSHA retains its authority relative to safety and health in private sector maritime activities and will continue to enforce all provisions of the Act, rules or orders, and all Federal standards, current or future, specifically directed to private sector maritime activities (occupational safety and health standards comparable to 29 CFR Parts 1915, shipyard employment; 1917, marine terminals; 1918, longshoring; and 1919; gear certification, as well as provisions of general industry and construction standards (29 CFR Parts 1910 and 1926) appropriate to hazards found in these employments); employment on Indian reservations; enforcement relating to any contractors or subcontractors on any Federal establishment where the land has been ceded to the Federal Government; railroad employment, not otherwise regulated by another Federal agency; and enforcement on military bases. Federal jurisdiction is also retained with respect to Federal government employers and employees; the U.S. Postal Service (USPS), including USPS employees, and contract employees and contractor-operated facilities engaged in USPS mail operations; and the American National Red Cross.

DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Part 206

RIN 1010–AC72

Amendments to Gas Valuation Regulations for Indian Leases

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Final rule.

SUMMARY: MMS is removing the special timing requirements for adjustments and audits of royalties on gas produced from Indian leases in Montana and North Dakota. If not removed, these timing requirements could force tribal and MMS auditors to expend additional time and money or postpone ongoing audits to meet the restricted time periods. Removing these timing restrictions should increase royalties collected for Indian leases in these States.

DATES: The effective date of this final rule is November 20, 2000.

FOR FURTHER INFORMATION CONTACT: David S. Guzy, Chief, Rules and Publications Staff, Minerals Management Service, Royalty Management Program, P.O. Box 25165, MS 3021, Denver, CO 80225–0165; telephone (303) 231–3432; fax (303) 231–3385; or e-mail David.Guzy@mms.gov.

SUPPLEMENTARY INFORMATION: The principal author of this final rule is Richard Adamski, Royalty Valuation Division, Royalty Management Program (RMP), MMS.

I. Background

On August 10, 1999, MMS published a final rule titled "Amendments to Gas Valuation Regulations for Indian Leases," (64 FR 43506) with an effective date of January 1, 2000. These regulations apply to all gas production on Indian leases in Montana and North Dakota. The new regulations resulted from a negotiated rulemaking among Indian tribes and allottees, the oil and gas industry, and MMS.

Among the newly adopted regulations was a provision at 30 CFR 206.174(l) requiring that for Indian leases in Montana and North Dakota, lessees must make adjustments to reported royalty values sooner, and MMS must complete its audits sooner, than either has done historically. This provision does not apply to Indian leases in other States.

The final rule limited the adjustment and audit period for Indian leases in Montana and North Dakota because, unlike most other producing regions, there are no acceptable published indexes applicable to that area (64 FR 43510). Accordingly, in areas such as Montana and North Dakota, valuation must be based on other criteria that are more difficult to determine than index prices.

After the final rule was promulgated, tribal auditors informed MMS that the special timing requirements at 30 CFR 206.174(l) could force tribal and MMS auditors to expend additional time and money or postpone ongoing audits in Montana and North Dakota to meet the restricted time periods. Moreover, MMS believes that the reason for only placing time limits on Indian leases in Montana and North Dakota is not compelling. Consequently, on June 15, 2000, MMS published a proposed rulemaking (65 FR 37504) to remove the requirements. The proposed rulemaking provided for a 30-day comment period that ended July 17, 2000.

II. Comments on Proposed Rule

During the comment period for the proposed rule, MMS received two written comments: one from an Indian tribe (tribe) and one from industry. After careful consideration of the comments, MMS has decided to issue this final rule removing the special timing requirements for adjustments and audits of royalties on gas produced from Indian leases in Montana and North Dakota. This amendment to the regulations will apply prospectively to gas produced on or after the effective date specified in the DATES section above.

General Comments

The industry commenter opposed the removal of the time limitations. The commenter believes that industry received the earlier valuation certainty in return for agreeing to an increase in the major portion calculation percentage to the 75th percentile. The commenter suggested that if MMS removes the adjustment and audit time limits then MMS should also change the major portion calculation to reflect the historical major portion value at the 50th percentile.