

expired, the State agency shall verify with the law enforcement agency whether it has attempted to execute the warrant. If it has, the State agency shall take appropriate action to deny an applicant or terminate a participant who has been determined to be a fleeing felon or a probation or parole violator or who has been apprehended. If the law enforcement agency has not taken any action within 30 days, the State agency shall not consider the individual a potential fleeing felon or probation or parole violator, shall document the case file accordingly, and take no further action.

(5) *Application processing.* The State agency shall continue to process the application while awaiting verification of fleeing felon or probation or parole violator status. If the State agency is required to act on the case without being able to determine fleeing felon or probation or parole violator status in order to meet the time standards in § 273.2(g) or § 273.2(i)(3), the State agency shall process the application without consideration of the individual's fleeing felon or probation or parole violator status.

\* \* \* \* \*

4. Paragraph 273.12(a)(5)(vi)(B) is amended by redesignating paragraph (a)(5)(vi)(B)(3) as paragraph (a)(5)(vi)(B)(4) and adding a new paragraph (a)(5)(vi)(3) to read as follows:

#### § 273.12 Reporting requirements.

- (a) \* \* \*
- (5) \* \* \*
- (vi) \* \* \*
- (B) \* \* \*

(3) A household member has been identified as a fleeing felon or probation or parole violator in accord with § 273.11(n);

Dated: August 11, 2011.

**Kevin Concannon,**

*Under Secretary, Food, Nutrition, and Consumer Services.*

[FR Doc. 2011-21194 Filed 8-18-11; 8:45 am]

**BILLING CODE 3410-30-P**

## DEPARTMENT OF HOMELAND SECURITY

### U.S. Customs and Border Protection

## DEPARTMENT OF THE TREASURY

### 19 CFR Parts 10 and 163

[USCBP-2011-0030]

RIN 1515-AD75

### Duty-Free Treatment of Certain Visual and Auditory Materials

**AGENCY:** U.S. Customs and Border Protection, Department of Homeland Security; Department of the Treasury.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** This document proposes to amend the U.S. Customs and Border Protection (CBP) regulations pertaining to the filing of documentation related to free entry of certain merchandise under Chapter 98 of the Harmonized Tariff Schedule of the United States (HTSUS). The proposed amendment would permit an applicant to file the documentation required for duty-free treatment of certain visual and auditory materials of an educational, scientific, or cultural character under subheading 9817.00.40, HTSUS, at any time prior to the liquidation of the entry. The regulation currently requires the filing of this documentation within 90 days of the date of entry. The proposed change would provide more time for the importer to provide the necessary certification documentation to CBP and would serve to align the filing of required certification documentation with a change in CBP policy that extended the liquidation cycle for entries in the ordinary course of business from 90 days to 314 days after the date of entry. The change is consistent with other regulations that govern the duty-free treatment of merchandise under Chapter 98, HTSUS.

**DATES:** Written comments must be received on or before October 18, 2011.

**ADDRESSES:** You may submit comments, identified by *docket number*, by one of the following methods:

- *Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments via Docket No. USCBP 2011-0030.
- *Mail:* Trade and Commercial Regulations Branch, Regulations and Rulings, U.S. Customs and Border Protection, 799 9th Street, NW., (Mint Annex), Washington, DC 20229-1179.

*Instructions:* All submissions received must include the agency name and docket number for this rulemaking. All comments received will be posted

without change to <http://www.regulations.gov>, including any personal information provided. For detailed instructions on submitting comments and additional information on the rulemaking process, see the "Public Participation" heading of the **SUPPLEMENTARY INFORMATION** section of this document.

*Docket:* For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>. Submitted comments may also be inspected during regular business days between the hours of 9 a.m. and 4:30 p.m. at the Trade and Commercial Regulations Branch, Regulations and Rulings, Office of International Trade, U.S. Customs and Border Protection, 799 9th Street, NW., 5th Floor, Washington, DC. Arrangements to inspect submitted comments should be made in advance by calling Joseph Clark at (202) 325-0118.

**FOR FURTHER INFORMATION CONTACT:** Robert Dinerstein, Valuation and Special Programs Branch, Regulations and Rulings, Office of International Trade, (202) 325-0132.

#### SUPPLEMENTARY INFORMATION:

#### Public Participation

Interested persons are invited to participate in this rulemaking by submitting written data, views, or arguments on all aspects of this proposed rule. U.S. Customs and Border Protection (CBP) also invites comments that relate to the economic, environmental, or federalism effects that might result from this proposed rule. Comments that will provide the most assistance to CBP in developing these procedures will reference a specific portion of the proposed rule, explain the reason for any recommended change, and include data, information, or authority that supports such recommended change. See **ADDRESSES** above for information on how to submit comments.

#### Background

The United States signed the "Agreement for Facilitating the International Circulation of Visual and Auditory Materials of an Educational, Scientific, and Cultural Character" made at Beirut, Lebanon (also referred to as the "Beirut Agreement") in 1948. By Public Law 89-634, 80 Stat. 879, 19 U.S.C. 2501 (October 8, 1966), which amended the Tariff Schedules of the United States, and Executive Order 11311, 31 FR 13413 (Oct. 18, 1966), the United States implemented its obligations under the Agreement to

allow certain qualifying visual and auditory materials to be imported into the United States duty-free. The provision for duty-free treatment for these materials is now set forth under subheading 9817.00.40 of the Harmonized Tariff Schedule of the United States (HTSUS).

CBP coordinates with the U.S. Department of State in administering the obligations of the United States under the Beirut Agreement. The Department of State is the agency responsible for determining whether articles qualify under the Agreement for duty-free treatment under subheading 9817.00.40 of the HTSUS, and CBP is responsible for ensuring that duty-free treatment for merchandise entered under that HTSUS subheading is provided only if the Department of State has certified that the articles qualify. The relevant regulations of the Department of State are set forth in 22 CFR part 61 and the regulation detailing the Department of State's issuance of the certification document is set forth at 22 CFR 61.8. The relevant CBP regulation is 19 CFR 10.121. As the program currently is administered, an applicant is required to file the Department of State's certification document in connection with an entry covering articles for which duty-free treatment is sought. *See* 19 CFR 10.121(a).

This document proposes to amend the CBP regulation regarding the time period in which a party seeking duty-free treatment under subheading 9817.00.40 of the HTSUS must provide certification from the Department of State. If the required documentation has not been filed with CBP at the time of entry for merchandise entered under subheading 9817.00.40, HTSUS, section 10.121(b) of the CBP regulations permits liquidation to be suspended for 90 days after entry to allow an applicant time to obtain the certifying Department of State document. This proposed amendment would permit more time for the importer to provide the necessary certification documentation to CBP.

This document proposes to amend 19 CFR 10.121(b) by removing the language which provides for the suspension of liquidation of an entry for 90 days and to provide, instead, that the required documentation may be filed with CBP any time prior to liquidation. This 90-day suspension provision was promulgated in 1966 and section 10.121(b) does not reflect the subsequent amendments to 19 U.S.C. 1504 or changes to CBP policy regarding liquidation. Under current law, CBP has up to one year to liquidate an entry before it is deemed liquidated by operation of law. *See* 19 U.S.C. 1504.

Historically, the majority of entries were liquidated within 90 days in the ordinary course of business; however, this policy was changed by the agency when the volume of trade increased by extending the liquidation cycle from 90 days after entry to 314 days after entry. *See* 314-Day Liquidation Cycle-Trade Notice, CSMS #97-000727 (Aug. 3, 1997). It is noted that there is no statutory provision preventing CBP from liquidating an entry at any time during the one-year period after entry of the merchandise and prior to the conclusion of the 314-day liquidation cycle if all the required documentation has been filed.

Section 10.112 of title 19 CFR (19 CFR 10.112) permits the filing of documentation related to free entry of merchandise under Chapter 98, HTSUS, at any time prior to liquidation of an entry or, if liquidated, before the liquidation becomes final. Section 10.121(b) is proposed to be amended to be consistent with 19 CFR 10.112 and the change in CBP's current liquidation practice. Therefore, the suspension of liquidation of an entry for a period of 90 days from the date of entry to allow an applicant to file the required documentation in order to qualify for an exemption from duty under subheading 9817.00.40, HTSUS, would be replaced with a suspension of liquidation of an entry for a period of 314 days from the date of entry.

Lastly, we note that this proposed change to 19 CFR 10.121(b) is also consistent with other CBP regulations that govern the duty free treatment of merchandise under Chapter 98, HTSUS. For instance, the regulations implementing the Florence Agreement on scientific instruments and apparatus were amended to merely required that the Department of Commerce's certifying documentation be submitted to CBP prior to liquidation. *See* 19 CFR 10.112 and 15 CFR 301.8 (74 FR 30462, June 26, 2009).

#### Other Changes

This document also proposes to make a non-substantive change to a listing in the Appendix to part 163—Interim (a)(1)(A) List. The listing “§ 10.121 Certificate from USIA for visual/auditory materials” currently references USIA (United States Information Agency). Since USIA was abolished in 1999 by the Foreign Affairs Reform and Restructuring Act of 1998, and its functions were transferred to the U.S. Department of State, this listing is outdated. This document will amend the listing in the Appendix to Part 163 to reflect the State Department rather than USIA.

#### Regulatory Flexibility Act

Under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), we have considered whether this proposed rule would have a significant impact on a substantial number of small entities. A small entity may be a small business (defined as any independently owned and operated business not dominant in its field that qualifies as a small business per the Small Business Act); a small not-for-profit organization; or a small governmental jurisdiction (locality with fewer than 50,000 people).

As this proposed amendment would provide more time for an importer to obtain the State Department certificate, CBP certifies under 5 U.S.C. 605(b) that the proposed amendments, if adopted, will not have a significant economic impact on a substantial number of small entities. CBP welcomes any comments regarding this finding.

#### Executive Order 12866

This proposed rule is not a “significant regulatory action” as defined by Executive Order 12866.

#### Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), an agency may not conduct, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number assigned by Office of Management and Budget (OMB). The information collected under 19 CFR 10.121 is included under OMB control number 1651-0067. There are no new collections of information proposed in this document.

#### Signing Authority

This regulation is being issued in accordance with 19 CFR 0.1(a)(1) pertaining to the authority of the Secretary of the Treasury (or his/her delegate) to approve regulations pertaining to certain customs revenue functions.

#### List of Subjects

##### 19 CFR Part 10

Customs duties and inspection, Entry, Imports, Preference programs, Reporting and recordkeeping requirements, Trade agreements.

##### 19 CFR Part 163

Administrative practice and procedure, Customs duties and inspection, Exports, Imports, Reporting and recordkeeping requirements, Trade agreements.

## Proposed Amendments to the CBP Regulations

For the reasons set forth above, it is proposed to amend parts 10 and 163 of title 19 of the Code of Federal Regulations as set forth below.

### PART 10—ARTICLES CONDITIONALLY FREE, SUBJECT TO A REDUCED RATE, ETC.

1. The general authority citation for part 10 continues to read and a specific authority is added for § 10.121 as follows:

**Authority:** 19 U.S.C. 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States (HTSUS)), 1321, 1481, 1484, 1498, 1508, 1623, 1624, 3314.

\* \* \* \* \*

Section 10.121 also issued under 19 U.S.C. 2501;

\* \* \* \* \*

2. Section 10.121(b) is revised to read as follows:

#### § 10.121 Visual or auditory materials of an educational, scientific, or cultural character.

\* \* \* \* \*

(b) Articles entered under subheading 9817.00.40, HTSUS, will be released from CBP custody prior to submission of the document required in paragraph (a) of this section only upon the deposit of estimated duties with the port director. Liquidation of an entry which has been released under this procedure will be suspended for a period of 314 days from the date of entry or until the required document is submitted, whichever comes first. In the event that documentation is not submitted before liquidation, the merchandise will be classified and liquidated in the ordinary course, without regard to subheading 9817.00.40, HTSUS.

### PART 163—RECORDKEEPING

3. The authority citation for part 163 continues to read as follows:

**Authority:** 5 U.S.C. 301; 19 U.S.C. 66, 1484, 1508, 1509, 1510, 1624.

\* \* \* \* \*

#### Appendix to Part 163—[Amended]

4. Section IV is amended by removing the listing “§ 10.121 Certificate from USIA for visual/auditory materials” and adding in its place the listing “§ 10.121

Certificate from the U.S. Department of State for visual/auditory materials”.

**Alan D. Bersin,**

*Commissioner, U.S. Customs and Border Protection.*

Approved: August 16, 2011.

**Timothy E. Skud,**

*Deputy Assistant Secretary of the Treasury.*

[FR Doc. 2011–21275 Filed 8–18–11; 8:45 am]

**BILLING CODE 9111–14–P**

## AGENCY FOR INTERNATIONAL DEVELOPMENT

### 22 CFR Part 228

[Aid Reg. 228]

**RIN 0412–AA70**

### Procurement of Commodities and Services Financed by USAID

**AGENCY:** Agency for International Development (USAID).

**ACTION:** Proposed rule.

**SUMMARY:** This proposed rule implements the statutory requirement that funds made available by the United States Congress (Congress) to USAID under the authority of the Foreign Assistance Act of 1961, as amended (FAA), be used for procurement in the United States (U.S.), the recipient country, or developing countries. It does so by revising USAID's current source, origin and nationality (S/O/N) regulation to track more closely the statutory procurement authority provided under the FAA and referenced above; by establishing a single code for procurements from the U.S., recipient country and developing countries; by deleting the concept of “origin,” which is increasingly obsolete and difficult to apply in today's globalized economy; and by simplifying the concepts of “source” and “nationality” in order to reflect better Congress's directive to procure from the U.S., recipient or developing countries.

**DATES:** Comments must be received by close of business October 3, 2011.

**ADDRESSES:** You may submit comments, identified by Regulatory Information Number, RIN 0412–AA70, by any of the following methods:

- *Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments.

- *E-mail:* [jniemeyer@usaid.gov](mailto:jniemeyer@usaid.gov).

Include RIN number 0412–AA70 in the subject line of the message.

- *Mail:* U.S. Agency for International Development, Office of the General Counsel, Room 6.07–105, 1300 Pennsylvania Ave., NW., Washington,

DC 20523, Attention: John R. Niemeyer, Esq.

- *Instructions:* All submissions received must include the Agency name and docket number or Regulatory Information Number (RIN 0412–AA70) for this rulemaking. All comments received will be included in the public docket without change and will be made available online at <http://www.regulations.gov>, including any personal information provided. *Public Participation:* Because security screening precautions have slowed the delivery and dependability of surface mail and hand delivery to USAID/ Washington, USAID recommends sending all comments to the Federal eRulemaking Portal. The e-mail address listed above is provided in the event that submission to the Federal eRulemaking Portal is not convenient (all comments must be in writing to be reviewed). You may submit comments by electronic mail, avoiding the use of any special characters and any form of encryption.

USAID will consider all comments in response to the proposed rule as USAID determines how to revise its S/O/N regulation, and will reconcile all comments (similar comments by category) in any published, final rule. All comments will be posted at the portal for Federal rulemaking, [regulations.gov](http://www.regulations.gov), under Regulatory Information Number, RIN 0412–AA70.

**FOR FURTHER INFORMATION CONTACT:** John Niemeyer (or designee), Attorney Advisor, Office of the General Counsel, USAID, Rm. 6.07–105, 1300 Pennsylvania Ave., NW., Washington, DC 20523; telephone: (202) 712–5053 (this is not a toll-free number); [jniemeyer@usaid.gov](mailto:jniemeyer@usaid.gov).

#### SUPPLEMENTARY INFORMATION:

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- Part II: The Proposed Rule
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  - USAID Regulations Amended by This Rule
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  - Proposed Rule: Part 228, Rules on Procurement of Commodities and Services Financed by USAID

#### I. Background

On February 16, 2011, USAID published in the **Federal Register** (76 FR 8961) an Advanced Notice of Public Rulemaking (ANPRM), notifying the public that USAID intended to review