

rounded to the nearest million. Pursuant to this section, the Board raised the threshold to \$29 million for 1998 data collection, raised it to \$30 million for 1999 data collection, and kept it at that level for data collection in 2000. The Board raised the threshold to \$31 million for data collection in 2001 and to \$32 million for data collected in 2002.

During the period ending November 2002, the CPIW increased by 1.27 percent. As a result, the exemption threshold remains at \$32 million. Thus, depository institutions with assets of \$32 million or less as of December 31, 2002, are exempt from data collection in 2003. An institution's exemption from collecting data in 2003 does not affect its responsibility to report the data it was required to collect in 2002.

The Board is amending comment 3(a)-2 of the staff commentary to implement the increase in the exemption threshold. Under the Administrative Procedure Act, notice and opportunity for public comment are not required if the Board finds that notice and public comment are unnecessary. 5 U.S.C. 553(b)(B). Regulation C establishes the formula for determining adjustments to the exemption threshold, if any, and the amendment to the staff commentary merely applies the formula. This amendment is technical and not subject to interpretation. For these reasons, the Board has determined that publishing a notice of proposed rulemaking and providing opportunity for public comment are unnecessary. Therefore, the amendment is adopted in final form.

List of Subjects in 12 CFR Part 203

Banks, Banking, Federal Reserve System, Mortgages, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, the Board amends 12 CFR part 203 as follows:

PART 203—HOME MORTGAGE DISCLOSURE (REGULATION C)

1. The authority citation for part 203 continues to read as follows:

Authority: 12 U.S.C. 2801-2810.

2. In Supplement I to part 203, under Section 203.3—Exempt Institutions, under 3(a) *Exemption based on location, asset size, or number of home-purchase loans*, paragraph 2 is revised to read as follows:

Supplement I to Part 203—Staff Commentary

* * * * *

Section 203.3—Exempt Institutions

3(a) Exemption based on location, asset size, or number of home-purchase loans.

* * * * *

2. Adjustment of exemption threshold for depository institutions. For data collection in 2003, the asset-size exemption threshold is \$32 million. Depository institutions with assets at or below \$32 million are exempt from collecting data for 2003.

* * * * *

By order of the Board of Governors of the Federal Reserve System, acting through the Director of the Division of Consumer and Community Affairs under delegated authority, December 24, 2002.

Jennifer J. Johnson,
Secretary of the Board.

[FR Doc. 02-32948 Filed 12-30-02; 8:45 am]

BILLING CODE 3510-22-P

DEPARTMENT OF COMMERCE

International Trade Administration

19 CFR Part 360

[Docket #: 020711168-2325-02]

RIN 0625-AA60

Steel Import Licensing and Surge Monitoring

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Final rule.

SUMMARY: Import Administration (IA) issues this final rule to add new regulations implementing the Steel Import Licensing and Surge Monitoring program originally outlined in the President's March 5, 2002, Proclamation about Steel Safeguards. This final rule requires all importers of steel products covered under the above mentioned steel safeguards proclamation to obtain a license from the Department of Commerce prior to completing their Customs import summary documentation. To obtain the license, the importer, or the importer's broker or agent, will fill out a form supplying certain statistical information to Commerce about the steel import. The license number will be generated immediately upon submitting the information. That license number will be needed to complete the Customs Entry documentation. IA will use the statistical information collected from the license forms as the basis of its surge monitoring program and early warning system to alert the public about changes in the quantities, types, or origins of steel imports.

In addition, IA informs the public of the approval by the Office of Management and Budget (OMB) of the collection-of-information requirements contained in this final rule and publishes the OMB control numbers for those collections.

DATES: This final rule is effective February 1, 2003. Filers will be able to obtain their user identification numbers and apply for licenses on or after January 6, 2003.

FOR FURTHER INFORMATION CONTACT: Julie Al-Saadawi: telephone (202) 482-1930; fax (202) 501-7952; e-mail steel_license@ita.doc.gov. Additional information will also be posted on the import licensing Web site (<http://www.ia.ita.doc.gov/steel/license/>) starting on January 6, 2003.

SUPPLEMENTARY INFORMATION: Import Administration (IA) issues this final rule to add new regulations implementing the Steel Import Licensing and Surge Monitoring program originally outlined in the President's March 5, 2002, Proclamation about Steel Safeguards. This final rule requires all importers of steel products covered under the above mentioned steel safeguards proclamation to obtain a license from the Department of Commerce prior to completing their Customs import summary documentation. In order to obtain the license, the importer, or the importer's broker or agent, must fill out a form supplying certain statistical information to Commerce about the steel import. The license number will be generated immediately upon submitting the information. That license number will be needed to complete the Customs Entry documentation. The statistical information collected from the license forms will be used as the basis of IA's surge monitoring program and early warning system to alert the public about changes in the quantities, types, or origins of steel imports. IA will manage the information collection under the license system as well as the surge monitoring of the steel imports; however, it will be the responsibility of the U.S. Customs Service to enforce the licensing requirements at U.S. ports of entry. A public version of the surge monitoring system will be available on the following Web site: <http://www.ia.ita.doc.gov/steel/license/>. The proposed rule was published on July 18, 2002 (67 FR 47338) and it requested comments through August 19, 2002. The rationale and authority for the program was provided in the preamble to the proposed rule and is not repeated here.
Comments on Proposed Rules: Comments received during the public comment period set forth in the

proposed rule are considered in this final rule. In all, thirty-one comments were received from a range of sources: importers, steel producers, ports, brokers, domestic industry, foreign governments, associations, consumers, and their counsel. Most comments focused on a particular aspect of the licensing program about which the author wanted an adjustment, but in general supported the licensing program. However, there were groups who simply stated that the filing burden outweighs the benefits. The comments are summarized below and listed in order of their frequency:

Comment 1: Customs Entry Number. As proposed, filers would be required to report the customs entry number on the license form in order to receive a steel import license. The majority of the commenters opposed requiring the customs entry number on the license form and recommended that filers be allowed to obtain a license without the number or that a revision procedure be instituted that permitted filers to submit the customs entry number at a later date.

According to these commenters, in most cases, the customs entry number would not be available until late in the importing process. Although it is possible for brokers to self-assign customs entry numbers prior to importation, in practice, it is relatively uncommon to do so much before the goods enter the country. The requirement of the customs entry number on the license form would likely result in importers obtaining licenses late in the process and in fact, would provide little incentive for an importer to obtain a license prior to the date the entry summary is filed. Any problems the importer may encounter in filing at that time could end up delaying the entry summary and the clearance of importation.

In addition, some commenters noted that entries into Foreign Trade Zones (FTZs) are not assigned a customs entry number meaning that filers would be unable to obtain a license for covered steel products entering an FTZ as set forth in the proposed rule. These commenters suggest handling FTZs in a separate manner or using the number assigned to the form for FTZ admission and/or status designation (Customs form 214), instead.

Response: The proposed requirement for the customs entry number on the license was designed to facilitate reconciliation between the import licensing system and the databases maintained by the U.S. Customs Service and the Census Bureau. Given the various concerns raised in the

comments we received, providing the customs entry number on the license form will be optional, at this time. In addition, making the customs entry number optional, along with the separate changes pertaining to goods entering an FTZ (*see* comment 13), resolves the anticipated problems with FTZ entries. However, should we determine at a later point that the reporting of the customs entry number on the license is needed to ensure the accuracy of the licensing system, we reserve the right to reinstate this requirement at any time through a subsequent rulemaking.

Comment 2: Administrative Burden and Redundant Data. A number of commenters suggested that the complexity of the proposed licensing requirement imposes costly administrative burdens on both importers and the U.S. government. They also noted that much of the information being requested was duplicative of other information requested of them by either Customs or Census. These commenters suggested that Customs could simply report the data it collects or that Commerce could use currently available Customs and Census data to monitor steel imports and respond to surges in the importation of safeguard exempt products. Some commenters suggested that, instead of the proposed system, Commerce issue quarterly licenses or a single annual license per importer.

Response: As part of the section 201 remedy, the President instructed the Secretary of the Treasury and the Secretary of Commerce to establish a system of import licensing to facilitate the monitoring of imports of certain steel products. This was done to ensure that import surges, particularly from those countries that were excluded from the President's remedies, did not undermine the relief provided by the President. Because import surges could quickly undermine the effectiveness of the remedy imposed by the President, it was crucial that the steel import licensing and monitoring system be able to quickly identify steel import trends, preferably by creating a system that could report steel imports in as close to "real time" as possible. Quarterly or annual steel licenses could not reliably meet this need.

There are legal constraints upon the use and dissemination of the import data collected by Customs and Census that preclude its use as a "real-time" steel import monitoring program. The import data collected by Customs can only be reported publicly through Census Bureau statistical releases—in the case of steel, there are two monthly

releases, an early release of preliminary steel import statistics and the official release of final steel import statistics that occurs the following month. These two releases occur between three and seven weeks after the end of the importing month, as much as seven to eleven weeks after some of the goods have entered the country. Therefore, in order to facilitate monitoring of the remedy, a separate licensing program will be used to gather and disseminate steel import data sooner. Although some of the information may be redundant, the burden upon the importer and/or filer has been lessened by the automatic nature of the system and the relatively small amount of easily accessible data being requested. Commerce estimates that, using the automatic system, it takes no longer than ten minutes to fill out the license form and receive a license number.

Comment 3: Single Entry vs. Multiple Entry. In the proposed rule, Commerce outlined and requested comments on two other possible types of steel import licenses—a single license per entry and a multiple entry license. As set forth in the proposed rule, the import license would cover multiple products if the importer, exporter, manufacturer, and the country of origin and exportation were all the same. However, separate licenses would be required if any of the above information differed with respect to a given set of covered imported steel products. Therefore, a single Customs entry could theoretically require more than one steel import license. Under the single license per entry, one license would cover the entire entry even if there were several different importer, exporter or country of origin combinations. Under the multiple entry licensing procedure, a given quantity of covered steel could be imported over an extended period (*e.g.*, 30 days) and the same license number would be reported until the quantity had been exhausted or the license expired.

Numerous conflicting comments were received regarding this issue, primarily on the issue of multiple entry licenses. Supporters of these two options argued that their greater ease and flexibility lessened the burden on the filer. Those commenters opposed to the multiple license option cited the difficulty in ensuring the accuracy of these licenses and reconciling the license data.

Response: From our review of the licensing proposals and the comments we received, we have determined that the difficulties with reconciliation and concerns over the potential inaccuracy of the resulting import licensing data raised by both domestic steel producers and consumers make a multiple license

option both infeasible and undesirable. While the single license per customs entry option does not suffer from the same concerns about inaccuracy, the potential single license per entry systems that we examined did not seem to lessen the burden on importers, in fact, for those filers importing from a single source, the burden appears to be greater. Therefore, Commerce will implement the system outlined in the proposed rule but will not implement either of the two alternate licensing proposals.

Comment 4: Correction mechanism. Many domestic and foreign steel makers recommended that the DOC create a mechanism by which errors entered on the license form can be corrected. These commenters are concerned that the reported import volumes could be exaggerated if errors, modified shipments, returned merchandise or cancelled shipments cannot be corrected in the system. The commenters suggest that such changes prior to the filing of the entry summary are not infrequent and may result in misleading import data.

Response: As explained in the proposed rule, for security reasons, it is not possible to alter an existing license electronically once it has been issued. However, Commerce agrees with the commenters that the lack of a correcting mechanism in the system creates the potential for misleading import licensing data. Therefore, Commerce has created a separate module in the licensing system that allows filers to cancel an already issued license. Once the earlier license is cancelled, a new license can be obtained using the corrected information. This can be done electronically, or if the filer prefers, through a phone/fax option with Commerce.

Comment 5: Greater Reporting of Aggregate Data. According to the proposed rules, certain aggregate information collected from the license forms would be posted on a steel import surge monitoring Web site. This data would be reported at the broader section 201 remedy product category level. Proprietary data including specific information entered on licenses (e.g., names of importers, exporters, manufacturers), would not be released to the public. Commerce encouraged parties to comment on the level of aggregated data reported and whether similar aggregate data on excluded products should be reported on the monitoring system Web site.

Commerce received a wide range of comments on this issue. Some commenters stated that a more detailed, HTS-number based level of aggregation

should be used in the surge monitoring system and that the surge monitoring system should include data on excluded products as well, either by the special chapter 99 HTS number or at a minimum by the section 201 remedy category that they would have fallen into. These commenters claimed that the greater level of detail and the data on excluded products was necessary for the monitoring system to work effectively. It was also suggested that the transparent dissemination of comprehensive and detailed information would enhance the abilities of companies to adjust to changes in the market, enabling the monitoring system to work more efficiently.

However, a number of companies were concerned that more detailed information, including any data on excluded products, no matter how aggregated, could reveal protected proprietary information that could damage both the competitiveness of the foreign mills and their U.S. customers. One commenter suggested that, with respect to some of the highly-specific excluded products, there are only a small number of foreign companies that produce and sell the products, and that even revealing aggregate information could result in the disclosure of highly sensitive and confidential data to their competitors.

Response: From our review of the comments and our discussions with the U.S. Customs Service and the Bureau of Census, the two agencies that collect and/or disseminate information on imports, we have determined that the surge monitoring system as proposed offers the greatest possible level of data dissemination to the public that does not greatly increase the risk of inadvertently disclosing business proprietary information. At this time, Commerce will not report separate data on excluded products in its surge monitoring system but will continue to monitor such products closely and share such information it deems necessary with the appropriate government agencies.

Comment 6: Duration of the Import License. Under the proposed rules, the steel import license can be applied for up to 30 days prior to the expected date of importation and until the date of filing of the entry summary documents. Most commenters argued that the 30-day period should be extended. One suggested that the quarterly system would be much easier to comply with for the importing community. Others recommended that the current filing period should be extended an additional 45 to 60 days.

Several commenters argued that, instead of the proposed system which allows filers anytime during the 45 days prior to and including the filing of entry summary documents, filers should be required to obtain an import license at least 30 days prior to importation. They argued that this would allow the Department of Commerce and the U.S. Customs Service to verify that the importer is complying with the requirements of the import licensing program prior to entry of the goods.

Response: Based on the comments received, we have extended the filing period. Filers will now be able to apply for a steel license up to 60 days prior to the expected date of importation and until the date of filing of the entry summary documents, or in the case of FTZ entries, the filing of Customs form 214. The steel import license is valid for 75 days; however, import licenses that were valid on the date of importation but expired prior to the filing of entry summary documents will be accepted.

As to the suggested change to require that an import license be obtained at least 30 days prior to importation, we have determined that such a system would not be feasible for several reasons. First, for a considerable portion of the steel trade, which comes across the border from either Canada or Mexico, the requested license data may not be known 30 days prior to importation. Second, should licensed shipments arrive before the 30 day period ended, there would be no appropriate legal means of denying or delaying the entry. Finally, the decision to make the import license a condition of entry summary rather than a condition of importation was made consistent with the objective of collecting data for surge monitoring purposes rather than inhibiting trade. In addition, denying entry to unlicensed steel shipments would impose a significant administrative burden on Customs and could snarl ports if shiploads of steel were held up because of missing licenses. To ensure compliance, Customs will consider entries of covered products without a license to be incomplete, subjecting the entry to liquidated damages (see 67 FR 51800).

Comment 7: Port of Entry. Commerce received conflicting comments regarding the need to identify and/or report the port of entry. Certain commenters argued that filers should not be required to identify the expected port of entry on the license because the ultimate port of entry may change after the license is issued. Other commenters argued that not only should the port of entry be required on the license but that

Commerce should disseminate such information in its public monitoring system. This would allow U.S. steel producers to track the regions where imported steel may be anticipated to enter, thus assisting the industry in quickly identifying and responding to potential surges.

Response: We continue to believe that the identification of the expected port of entry provides needed monitoring information to the government and does not impose an unnecessary burden on filers. However, because the dissemination of aggregate data on a port of entry basis greatly increases the possible inadvertent disclosure of proprietary information, Commerce does not intend to publicly release such data at this time.

Comment 8: Access to the System. Several commenters suggested that there should be some method to obtain a copy of the license at a later date in order to comply with the U.S. Customs Service's record keeping requirements. A number of commenters also argued that both the importer and the importer's customs broker should have access to the importer's data.

Response: As explained previously, for security purposes, filers can only print out the license at the time of filing and are unable to retrieve licenses from the system once they are issued. However, in response to the comments received, Commerce will generate an email version of the license, upon request, to the filer at the email address listed in the filer's online registration form. Because of the proprietary nature of much of the information contained in the license form, Commerce will send the information to the filer only. If that person wants to share the license email with others, it can be done at their discretion from their computer.

Comment 9: "Unknown" Manufacturer and/or Exporter. The Department of Commerce encouraged parties to comment on whether filers should be allowed to enter "unknown" in the fields for exporter and manufacturer name. Commerce received a number of comments on this issue, divided into two groups.

Several commenters argued that a filer, particularly an importer's customs broker, might not know the exporter or manufacturer when filling out the license and the ability to fill out "unknown" in the field would allow the license form to go forward. Not allowing for such an option could delay the filing of the license or even encourage the filling of misleading information.

Others argued that allowing filers to report "unknown" in the exporter and manufacturer fields would compromise

the veracity of the data derived from the licensing form. They argued that the information regarding the identity of the manufacturer and the exporter is essential to analyzing trends and is not difficult for the filer to obtain.

Response: Based on the comments received, Commerce will require filers to identify the exporter but will allow a filer to fill out "unknown" in the manufacturer field on the license form, recognizing that certain filers, particularly customs brokers, may not have such information readily available. Unlike the manufacturer's name, requiring the name of the exporter on the license form should impose little burden on the filer. Filers are encouraged to identify the manufacturer on the license and should the DOC discover a repeated pattern in a company's usage of "unknown" manufacturers or exporters, the DOC reserves the right to contact the filer regarding the difficulty in obtaining such information.

Comment 10: Identifying NAFTA Origin. Commerce received two comments regarding the country of origin designation for NAFTA merchandise under the licensing system. The commenters raised concern that the different rules for determining country of origin for imports from NAFTA countries would cause unnecessary concern about what might appear to be increases in imports of goods from NAFTA countries but in fact only reflected differing country of origin standards between the license system and other import reporting systems. The commenters suggested that the licenses allow filers the option of identifying the NAFTA-based country of origin designation along with the standard country of origin designation for the product.

Response: The option for reporting a second NAFTA-based country of origin designation was strongly opposed by the U.S. Customs Service as both confusing and unnecessary since the standard country of origin rules were being used for the license system. Commerce understands the concerns raised by the commenters but believes that these can be addressed as needed when evaluating the import trends.

Comment 11: Foreign Filers. As proposed, only filers with a "U.S. address" may register and obtain a user identification number. Several commenters suggested that foreign filers and importers of record located outside the United States be allowed to register under the system.

Response: Foreign filers are not prohibited from registering to use the system as long as they have a U.S. street

address; otherwise, they will have to find another party with a U.S. street address to file for them. Commerce believes this requirement necessary in order to address potential problems that may arise with a filer's license.

Comment 12: Coverage. A number of comments were received regarding the coverage of the license system. Several commenters suggested expanding coverage to all steel products, not simply those included in the section 201 remedy. Others argued that coverage should be more limited and that licenses should not be required on excluded products. Finally, some commenters argued that with respect to excluded products under quota, only those firms that applied for product exclusions, be allowed to apply for licenses on those excluded products but that these firms should be granted the rights to transfer their claims to a particular license if they no longer need to import the product.

Response: The coverage of the import licensing system will remain as set forth in the proposed rules. The licensing system was instituted as part of the safeguard measures announced by the President on March 5, 2002 and was intended to facilitate the administration and enforcement of those measures. As such, it is proper that the licensing system only apply to those products needed to fulfill that goal—the product categories set forth in the President's remedies including products from excluded countries and those products subject to product-specific exclusions.

As to limitations on licenses for excluded products under quota—Commerce will not limit licenses on excluded products to those firms that requested the product exclusions. Product exclusions are not granted to a specific firm or country. Product exclusion quotas are filled on a first come, first served basis.

Comment 13. Foreign Trade Zones (FTZs). As set forth in the proposed rule, steel entering into an FTZ would require two licenses, one upon entry into the zone and one when the goods leave the zone and enter for consumption. Some commenters argued that such a double licensing system was overly burdensome, could shift border FTZ trade to Canada or Mexico and could lead to over reporting. Others stated that the main concern with FTZs was ensuring that steel entering into, and ultimately consumed, in an FTZ be accurately accounted for in the surge monitoring program and suggested that an alternative to the double licensing system might be possible. Another commenter suggested that licensing should only be done when the goods

enter an FTZ as this would address the concerns of most involved with the least amount of burden.

Response: Based on our review of the comments and considerable discussion with agencies involved in administering FTZs, we have determined that proposed double licensing system for FTZs is overly burdensome and unnecessary for the effective administration of the licensing system. Licenses will only be required on covered steel products entering an FTZ; steel products leaving the zone and entered for consumption will not require a license. The import license number(s) must be reported on the form for FTZ admission and/or status designation (Customs form 214) at the time of filing.

Comment 14: Temporary Importation Bonds. Commerce received comments arguing that temporary importation bond entries—goods entered free of duty provided within one year to be re-exported to non-U.S. destinations—should not be subject to the proposed licensing system.

Response: We agree that such entries will not require import licenses.

Comment 15: Informal Entries. Commerce received several comments regarding informal entries. One comment suggested expanding the value of informal merchandise from \$2,000 to \$5,000 because such entries would still be insignificant, another asked for clarification of the limits set forth in the Customs regulations on Chapter 99 steel imports, while a third urged that the exemption for informal entries not become a means for importers to avoid their import license obligations.

Response: The exemption for informal entries is based on the value limits set forth by Customs—expanding it to higher valued merchandise is likely to cause unnecessary confusion. As to the value limit for Chapter 99 steel products, please see 19 CFR 143.21(a) and (h) for the specific limits applicable to those goods.

Comment 16: Additional Products in License Form. Two commenters suggested that the license form should allow space for more products—at a minimum, the license should have room for up to six products.

Response: We agree. Commerce has modified the form to allow for up to six products and an additional page can be requested.

Comment 17: Usurpation of USTR Authority. One commenter argued that the surge monitoring system as proposed by Commerce usurps USTR's authority to change a developing country's exempt status by

presupposing certain measurements in its presentation of data.

Response: The design of the steel import licensing and surge monitoring system in no way usurps USTR's authority to determine a developing country's exempt status. Nor does it presuppose certain outcomes in its presentation of data. The data is being presented in a manner consistent with the President's remedies and the categories set forth by the ITC. Tables, charts and comparison data have been designed to assist the user and do not mandate how USTR uses the data in its import analysis. As directed by the President, Commerce and Treasury developed the import licensing system to assist USTR in its analysis of developing country import trends. This system was designed with input from USTR and other government agencies, and like all such proposed rulemaking went through an interagency clearance process that included USTR.

Classification

Regulatory Flexibility Act

The Chief Counsel for Regulation certified to the Chief Counsel for Advocacy of the Small Business Administration that this proposed rule, if adopted, will not have a significant impact on a substantial number of small entities as that term is defined in the Regulatory Flexibility Act, 5 U.S.C. § 601 *et seq.* A summary of the factual basis for this certification is below.

This proposed rule will not have a significant impact on a substantial number of companies. In most cases, it is anticipated that it will be brokerage companies that apply for the steel import licenses. Most brokerage companies that are currently involved in filing required documentation for importing goods into the U.S. specifically, Customs documentation, are accustomed to Customs' automated systems. Today, more than 99% of the Customs filings are handled electronically. Therefore, the web-based nature of this simple license form should not be a significant obstacle to any firm in completing this new requirement. There is no cost to register for a company-specific user code and no cost to file for the license. Each license form is expected to take at most roughly 10 minutes to complete using much of the same information the brokers will use to complete their Customs Entry Summary Documentation. This is the only additional requirement on the importer's broker to fulfill U.S. entry requirements to import each covered steel product shipment.

Paperwork Reduction Act

This final rule contains collection-of-information requirements subject to review and approval by OMB under the Paperwork Reduction Act (PRA). These requirements have been approved by OMB (OMB No.: 0625-0245; Expiration Date: 09/30/05). Public reporting for this collection of information is estimated to be 10 minutes per response, including the time for reviewing instructions, and completing and reviewing the collection of information. All responses to this collection of information are voluntary, and will be provided confidentially to the extent allowed by law. Notwithstanding any other provision of law, no person is required to respond to nor shall a 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 of information displays a current valid OMB Control Number. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to: Reports Clearance Officer, Room 4001, International Trade Administration, Department of Commerce, 14th and Constitution Avenue, NW., Washington, DC 20230.

Executive Order 12866

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

Executive Order 12866

This rule does not contain policies with federalism implications as that term is defined in EO 13132.

For the reasons set out in the preamble, add part 360 to read as follows:

PART 360—STEEL IMPORT LICENSING AND SURGE MONITORING SYSTEM

| Sec. | |
|---------|---|
| 360.101 | Steel import licensing system. |
| 360.102 | Online registration. |
| 360.103 | Automatic issuance of import licenses. |
| 360.104 | Steel import surge monitoring system. |
| 360.105 | Duration of the steel import licensing program. |
| 360.106 | Fees. |
| 360.107 | Hours of operation. |
| 360.108 | Loss of electronic licensing privileges. |

Authority: 19 U.S.C. 2251, 2253.

§ 360.101 Steel import licensing system.

(a) *In general.* (1) The steel import licensing system includes both the

online registration system and the automatic steel import license issuance system. All imports of steel products listed in the President's March 5, 2002, section 201 relief determination, including those products subject to country exemptions or product exclusions, are subject to the import licensing requirements. Information gathered from these licenses will be used to ensure that the purpose of the 201 relief is not undermined, with certain aggregate information reported publicly under the surge monitoring program. An interagency group will assist USTR with the analysis of the data collected beyond the data posted on the surge monitoring program.

(2) A single license may cover multiple products as long as certain information on the license (*e.g.*, importer, exporter, manufacturer and country of origin) remains the same. However, separate licenses for steel entered under a single entry will be required if the information differs. As a result, a single Customs entry may require more than one steel import license. The applicable license(s) must cover the total quantity of steel entered and should cover the same information provided on the Customs entry summary.

(b) *Entries for consumption.* All entries for consumption of covered steel products, other than the exception for "informal entries" listed in paragraph (d) of this section, will require an import license prior to the filing of Customs entry summary documents. The license number(s) must be reported on the entry summary (Customs Form 7501) at the time of filing. There is no requirement to present physical copies of the license forms at the time of entry summary; however, copies must be maintained in accordance with Customs' normal requirements. Entry summaries submitted without the required license number(s) will be considered incomplete and will be subject to liquidated damages for violation of the bond condition requiring timely completion of entry.

(c) *Foreign Trade Zone entries.* All shipments of covered steel products into FTZs, known as FTZ admissions, will require an import license prior to the filing of FTZ admission documents. The license number(s) must be reported on the application for FTZ admission and/or status designation (Customs form 214) at the time of filing. There is no requirement to present physical copies of the license forms at the time of FTZ admission; however, copies must be maintained in accordance with Customs' normal requirements. FTZ admission documents submitted

without the required license number(s) will not be considered complete and will be subject to liquidated damages for violation of the bond condition requiring timely completion of admission. A further steel license will not be required for shipments from zones into the commerce of the United States.

(d) *Informal entries.* No import license shall be required on informal entries of covered steel products, such as merchandise valued at less than \$2,000. This exemption applies to informal entries only, imports of steel valued at less than \$2,000 that are part of a formal entry will require a license. For additional information, refer to 19 CFR 143.21 through 143.28.

(e) *Other non-consumption entries.* Import licenses are not required on temporary importation bond (TIB) entries, transportation and exportation (T&E) entries or entries into a bonded warehouse. Covered steel products withdrawn for consumption from a bonded warehouse will require a license at the entry summary.

§ 360.102 Online registration.

(a) *In general.* (1) Any importer, importing company, customs broker or importer's agent with a U.S. street address may register and obtain the user identification number necessary to log on to the automatic steel import license issuance system. Foreign companies may obtain a user identification number if they have a U.S. address through which they may be reached; PO boxes will not be accepted. A user identification will be issued within two business days. Companies will be able to register online through the import licensing and monitoring Web site. However, should a company prefer to apply for a user identification number non-electronically, a phone/fax option will be available at Commerce during regular business hours.

(2) This user identification number will be required in order to log on to the steel import license issuance system. A single user identification number will be issued to an importing company, brokerage house or importer's agent. Operating units within the company (*e.g.*, individual branches, divisions or employees) will all use the same company user identification code. The steel import license issuance system will be designed to allow multiple users of a single identification number from different locations within the company to enter information simultaneously.

(b) *Information required to obtain a user identification number.* In order to obtain a user identification number, the importer, importing company, customs

broker or importer's agent will be required to provide general information. This information will include: the filer company name, employer identification number (EIN) or Customs ID number (where no EIN is available), U.S. street address, phone number, contact information and email address for both the company headquarters and any branch offices that will be applying for steel licenses. This information will not be released by Commerce, except as required by U.S. law.

§ 360.103 Automatic issuance of import licenses.

(a) *In general.* Steel import licenses will be issued to registered importers, customs brokers or their agents through an automatic steel import licensing system. The licenses will be issued automatically after the completion of the form.

(b) *Customs entry number.* Filers are not required to report a Customs entry number to obtain an import license but are encouraged to do so if the Customs entry number is known at the time of filing for the license.

(c) *Information required to obtain an import license.* (1) The following information is required to be reported in order to obtain an import license (if using the automatic licensing system, some of this information will be provided automatically from information submitted as part of the registration process):

- i. Filer company name and address;
- ii. Filer contact name, phone number, fax number and email address;
- iii. Entry type (*i.e.*, Consumption, FTZ)
- iv. Importer name;
- v. Exporter name;
- vi. Manufacturer name (filer may state "unknown");
- vii. Country of origin;
- viii. Country of exportation;
- ix. Expected date of export;
- x. Expected date of import;
- xi. Expected port of entry;
- xii. Current HTS number (from Chapters 72, 73, or 99);
- xiii. Original HTS number in Chapter 72 or 73 (if HTS number in 12 above is a Chapter 99 product);
- xiv. Quantity (in kilograms); and
- xv. Customs value (U.S. \$).

(2) Certain fields will be automatically filled out by the automatic license system based on information submitted by the filer (*e.g.*, product category, unit value). Filers should review these fields to help confirm the accuracy of the submitted data.

(3) Upon completion of the form, the importer, customs broker or the importer's agent will certify as to the

accuracy and completeness of the information and submit the form electronically. After refreshing the page, the system will automatically issue a steel import license number. The refreshed form containing the submitted information and the newly issued license number will appear on the screen (the "license form"). Filers can print the license form themselves only at that time. For security purposes, users will not be able to retrieve licenses themselves from the license system at a later date for reprinting. If needed, copies of completed license forms can be requested from Commerce during normal business hours.

(d) *Duration of the steel import license.* The steel import license can be applied for up to 60 days prior to the expected date of importation and until the date of filing of the entry summary documents, or in the case of FTZ entries, the filing of Customs form 214. The steel import license is valid for 75 days; however, import licenses that were valid on the date of importation but expired prior to the filing of entry summary documents will be accepted.

(e) *Correcting submitted license information.* Due to data security issues, it will not be possible to alter an existing license electronically once it has been issued. However, prior to the date of entry summary, filers will be able to cancel previously issued licenses and file for a new license with the correct information. If the filer prefers to have Commerce personnel change the license, there will be a phone/fax option.

§ 360.104 Steel import surge monitoring system.

(a) *In general.* (1) Throughout the duration of the licensing system, Commerce will maintain a surge monitoring Web site that will report certain aggregate information on imports of section 201 product categories obtained from the steel licenses. Aggregate data will be reported on a monthly basis by country of origin and section 201 product category and will include import quantity (metric tons), import Customs value (\$U.S.), and average unit value (\$/metric ton). The monitoring Web site will also present a range of historical data for comparison purposes.

(2) Reported monthly import data will be refreshed each week with new data on licenses issued during the previous week. This data will also be adjusted periodically for cancelled or unused steel import licenses, as appropriate.

(b) *Excluded products.* At this time, Commerce will not be separately reporting aggregate data on excluded

products. However, this information will be available for review by the appropriate government agencies.

§ 360.105 Duration of the steel import licensing program.

The licensing program will be in effect for the duration of the safeguard measures only. Licenses will be required on all subject imports entered during this period, even if the entry summary documents are not filed until after the expiration of the measures. The licenses will be valid for 10 business days after the expiration of the safeguard measures to allow for the final filing of required Customs documentation. Information collected under this system will not be kept longer than the period of time legally required beyond the expiration of these remedies.

§ 360.106 Fees.

No fees will be charged for obtaining a user identification number, issuing a steel import license or accessing the steel import surge monitoring system.

§ 360.107 Hours of operation.

The automatic licensing system will generally be accessible 24 hours a day, 7 days a week but may be down at selected times for server maintenance. If the system is down for an extended period of time, parties will be able to obtain licenses from Commerce directly via fax during regular business hours. Should the system be inaccessible for an extended period of time, Commerce would advise Customs to consider this as part of mitigation on any liquidated damage claims that may be issued.

§ 360.108 Loss of electronic licensing privileges.

Should Commerce determine that a filer consistently files inaccurate licensing information or otherwise abuses the licensing system, Commerce may revoke its electronic licensing privileges. The filer will then only be able to obtain a license directly from Commerce. Because of the additional time need to review such forms, Commerce may require up to 10 working days to process such forms. Delays in filing caused by the removal of a filer's electronic filing privilege will not be considered a mitigating factor by the U.S. Customs Service.

Dated: December 20, 2002.

Bernard T. Carreau,

Acting Assistant Secretary for Import Administration.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 101

[Docket No. 00N-1596]

Uniform Compliance Date for Food Labeling Regulations

AGENCY: Food and Drug Administration, HHS.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA) is establishing January 1, 2006, as the uniform compliance date for food labeling regulations that are issued between January 1, 2003, and December 31, 2004. FDA periodically announces uniform compliance dates for new food labeling requirements to minimize the economic impact of label changes. On November 20, 2000, FDA established January 1, 2004, as the uniform compliance date for food labeling regulations that issued between January 1, 2001, and December 31, 2002.

DATES: This rule is effective December 31, 2002. Submit written or electronic comments by March 17, 2003.

ADDRESSES: Submit written comments to the Dockets Management Branch (HFA-305), Food and Drug Administration, 5630 Fishers Lane, rm. 1061, Rockville, MD 20852. Submit electronic comments to <http://www.fda.gov/dockets/ecomments>.

FOR FURTHER INFORMATION CONTACT: Louis B. Brock, Center for Food Safety and Applied Nutrition (HFS-24), Food and Drug Administration, 5100 Paint Branch Pkwy., College Park, MD 20740, 301-436-2378.

SUPPLEMENTARY INFORMATION: FDA periodically issues regulations requiring changes in the labeling of food. If the effective dates of these labeling changes were not coordinated, the cumulative economic impact on the food industry of having to respond separately to each change would be substantial. Therefore, the agency periodically has announced uniform compliance dates for new food labeling requirements (see, e.g., the **Federal Registers** of October 19, 1984 (49 FR 41019), December 24, 1996 (61 FR 67710), December 27, 1996 (61 FR 68145), December 23, 1998 (63 FR 71015), and November 20, 2000 (65 FR 69666)). Use of a uniform compliance date provides for an orderly and economical industry adjustment to new labeling requirements by allowing sufficient lead time to plan for the use of existing label inventories and the