

Control 1234L [Amended]

That airspace extending upward from 2,000 feet above the surface within an area bounded by a line beginning at lat. 58°06'57" N., long. 160°00'00" W., then south along long. 160°00'00" W. until it intersects the Anchorage Air Route Traffic Control Center (ARTCC) boundary; then southwest, northwest, north, and northeast along the Anchorage ARTCC boundary to lat. 62°35'00" N., long. 175°00'00" W., to lat. 59°59'57" N., long. 168°00'08" W., to lat. 57°45'57" N., long. 161°46'08" W., to the point of beginning; and that airspace extending upward from the surface within a 4.6-mile radius of Cold Bay Airport, AK, and within 1.7 miles each side of the 150° bearing from Cold Bay Airport, AK, extending from the 4.6-mile radius to 7.7 miles southeast of Cold Bay Airport, AK, and within 3 miles west and 4 miles east of the 335° bearing from Cold Bay Airport, AK, extending from the 4.6-mile radius to 12.2 miles northwest of Cold Bay Airport, AK and that airspace extending upward from 700 feet above the surface within a 6.9-mile radius of Eareckson Air Station, AK, and within a 7-mile radius of Adak Airport, AK, and within 5.2 miles northwest and 4.2 miles southeast of the 061° bearing from the Mount Moffett NDB, AK, extending from the 7-mile radius of Adak Airport, AK, to 11.5 miles northeast of Adak Airport, AK and within a 6.5-mile radius of King Cove Airport, and that airspace extending 1.2 miles either side of the 103° bearing from King Cove Airport from the 6.5-mile radius out to 8.8 miles; and within a 6.4-mile radius of the Atka Airport, AK, and within a 6.9-mile radius of Eareckson Air Station, AK, and within a 6.3-mile radius of Nelson Lagoon Airport, AK and within a 6.4-mile radius of Sand Point Airport, AK, and within 3 miles each side of the 172° bearing from the Borland NDB/DME, AK, extending from the 6.4-mile radius of Sand Point Airport, AK, to 13.9 miles south of Sand Point Airport, AK, and within 5 miles either side of the 318° bearing from the Borland NDB/DME, AK, extending from the 6.4-mile radius of Sand Point Airport, AK, to 17 miles northwest of Sand Point Airport, AK, and within 5 miles either side of the 324° bearing from the Borland NDB/DME, AK, and within a 6.6-mile radius of St. George Airport, AK, and within an 8-mile radius of St. Paul Island Airport, AK, and 8 miles west and 6 miles east of the 360° bearing from St. Paul Island Airport, AK, to 14 miles north of St. Paul Island Airport, AK, and within 6 miles west and 8 miles east of the 172° bearing from St. Paul Island Airport, AK to 15 miles south of Paul Island Airport, AK, and within a 6.4-mile radius of Unalaska Airport, AK, and within 2.9 miles each side of the 360° bearing from the Dutch Harbor NDB, AK, extending from the 6.4-mile radius of Unalaska Airport, AK, to 9.5 miles north of Unalaska Airport, AK; and that airspace extending upward from 1,200 feet above the surface within a 26.2-mile radius of Eareckson Air Station, AK, within an 11-mile radius of Adak Airport, AK, and within 16 miles of Adak Airport, AK, extending clockwise from the 033° bearing to the 081° bearing from the Mount Moffett NDB, AK, and within a 10-mile radius of Atka Airport, AK, and within a

10.6-mile radius from Cold Bay Airport, AK, and within 9 miles east and 4.3 miles west of the 321° bearing from Cold Bay Airport, AK, extending from the 10.6-mile radius to 20 miles northwest of Cold Bay Airport, AK, and 4 miles each side of the 070° bearing from Cold Bay Airport, AK, extending from the 10.6-mile radius to 13.6 miles northeast of Cold Bay Airport, AK, and within a 26.2-mile radius of Eareckson Air Station, AK, and west of 160° west longitude within an 81.2-mile radius of Perryville Airport, AK, and within a 10-mile radius of St. George Airport, AK, and within a 73-mile radius of St. Paul Island Airport, AK, and within a 20-mile radius of Unalaska Airport, AK, extending clockwise from the 305° bearing from the Dutch Harbor NDB, AK, to the 075° bearing from the Dutch Harbor NDB, AK, and west of 160° longitude within a 25-mile radius of the Borland NDB/DME, AK, and west of 160°W. longitude within a 72.8-mile radius of Chignik Airport, AK.

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Control 1487L [Amended]

That airspace extending upward from 8,000 feet MSL within 149.5 miles of the Anchorage VOR/DME clockwise from the 090° radial to the 185° radial of the Anchorage VOR/DME, AK; and that airspace extending upward from 5,500 feet MSL within the area bounded by a line beginning at lat. 58°19'58" N., long. 148°55'07" W.; to lat. 59°08'35" N., long. 147°16'04" W.; thence counterclockwise via the 149.5-mile radius of the Anchorage VOR/DME, AK, to the intersection with a point 12 miles from and parallel to the U.S. coastline; thence southeast 12 miles from and parallel to the U.S. coastline to a point 12 miles offshore on the Vancouver FIR boundary; to lat. 54°32'57" N., long. 133°11'29" W.; to lat. 54°00'00" N., long. 136°00'00" W.; to lat. 52°43'00" N., long. 135°00'00" W.; to lat. 56°45'42" N., long. 151°45'00" W.; to the point of beginning; and that airspace extending upward from 1,200 feet MSL within the area bounded by a line beginning at lat. 59°33'25" N., long. 141°03'22" W.; thence southeast 12 miles from and parallel to the U.S. coastline to lat. 58°56'18" N., long. 138°45'19" W.; to lat. 58°40'00" N., long. 139°30'00" W.; to lat. 59°00'00" N., long. 141°10'00" W.; to the point of beginning, and within an 85-mile radius of the Biorka Island VORTAC, AK, and within a 42-mile radius of the Middleton Island VOR/DME, AK, and within a 30-mile radius of the Glacier River NDB, AK; and within a 149.5-mile radius of the Anchorage VOR/DME, AK, within the 73-mile radius of Homer Airport, AK; and that airspace extending upward from 700 feet MSL within 14 miles of the Biorka Island VORTAC, AK, and within 4 miles west and 8 miles east of the Biorka Island VORTAC 209° radial extending to 16 miles southwest of the Biorka Island VORTAC, AK.

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Issued in Washington, DC, on May 29, 2007.

Paul Gallant,

Acting Manager, Airspace and Rules Group.

[FR Doc. E7-11061 Filed 6-7-07; 8:45 am]

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DEPARTMENT OF COMMERCE**Bureau of Industry and Security****15 CFR Part 736**

[Docket No. 070523152-7153-01]

RIN 0694-AD99

**Amendment to General Order No. 3:
Expansion of the General Order and
Addition of Certain Persons**

AGENCY: Bureau of Industry and Security, Commerce.

ACTION: Final rule.

SUMMARY: The Bureau of Industry and Security is revising the Export Administration Regulations (EAR) by amending a general order published in the **Federal Register** on June 5, 2006 and later amended on September 6, 2006 to add nine additional persons. The general order imposed a license requirement for exports and reexports of all items subject to the EAR where the transaction involved Mayrow General Trading ("Mayrow") or entities related, as specified in that general order. The order also prohibited the use of License Exceptions for exports or reexports of any items subject to the EAR involving such entities.

This rule will expand the general order and add sixteen additional persons to it. Pursuant to the expansion, the general order will cover: (i) Persons regarding whom the U.S. Government possesses information of affiliation or relationship to Mayrow; and (ii) other persons regarding whom the U.S. Government possesses information concerning the acquisition or attempted acquisition of commodities capable of being used to construct IEDs, as well as persons who are related to or affiliated with such persons. The order will apply to persons specifically listed who fit within either of these two groups. To reflect this expansion, this rule will update the heading of the general order to use the term "persons".

In total, pursuant to this expansion, this rule will add the following sixteen persons to the general order, listed in alphabetical order: Al-Faris; Ali Akbar Yahya; Amir Mohammad Zahedi; EKT Electronics; Encyclopedia Electronics Center; Frank Lam; GBNTT; Majid Seif; Mohammed Katranji; Neda Industrial Group; Nedayeh Micron Electronics; Sayed-Ali Hosseini; Speedy Electronics Ltd.; United Sources Industrial Enterprises; Vast Solution Sdn Bhd.; and Y-Sing Components Limited.

EFFECTIVE DATE: This rule is effective June 8, 2007. Although there is no formal comment period, public

comments on this regulation are welcome on a continuing basis.

ADDRESSES: You may submit comments, identified by RIN 0694-AD99, by any of the following methods:

E-mail: publiccomments@bis.doc.gov. Include "RIN 0694-AD99" in the subject line of the message.

Fax: (202) 482-3355. Please alert the Regulatory Policy Division, by calling (202) 482-2440, if you are faxing comments.

Mail or Hand Delivery/Courier: Timothy Mooney, U.S. Department of Commerce, Bureau of Industry and Security, Regulatory Policy Division, 14th St. & Pennsylvania Avenue, NW., Room 2705, Washington, DC 20230, *Attn:* RIN 0694-AD99.

Send comments regarding the collection of information associated with this rule, including suggestions for reducing the burden, to David Rostker, Office of Management and Budget (OMB), by e-mail to David_Rostker@omb.eop.gov, or by fax to (202) 395-7285; and to the Regulatory Policy Division, Bureau of Industry and Security, Department of Commerce, P.O. Box 273, Washington, DC 20044. Comments on this collection of information should be submitted separately from comments on the final rule (*i.e.* RIN 0694-AD99)—all comments on the latter should be submitted by one of the three methods outlined above.

FOR FURTHER INFORMATION CONTACT: John Sonderman, Assistant Director for Operations, Office of Export Enforcement, Bureau of Industry and Security, Department of Commerce, P.O. Box 273, Washington, DC 20044; Phone: (202) 482-1208, x 3; E-mail: rp2@bis.doc.gov; Fax: (202) 482-0964.

SUPPLEMENTARY INFORMATION:

Background

Expansion of the General Order

Pursuant to 15 CFR parts 736 and 744 (2006), General Order No. 3, which was published on June 5, 2006 and subsequently amended on September 6, 2006, imposed a license requirement for exports and reexports of all items subject to the EAR (15 CFR parts 730-774) where the transaction involved Mayrow or related entities.

Prior to this rule, the general order listed persons who were related to Mayrow and concerning whom the U.S. Government possessed information regarding the acquisition or attempted acquisition by them of electronic components and devices ("commodities") capable of being used in the construction of Improvised Explosive Devices ("IEDs"). These

commodities have been, and may continue to be, employed in IEDs or other explosive devices used against Coalition Forces in Iraq and Afghanistan.

In light of additional information that the U.S. Government has received regarding continuing activity relating to commodities that are capable of use in the construction of IEDs, as well as a broader concern relating to the risk of diversion of commodities for such a purpose, this rule will expand the scope of the general order.

First, the general order will cover persons whom the U.S. Government, including the U.S. Department of Commerce, has reason to believe, based on specific and articulable facts, are affiliated with or related to Mayrow. Inclusion of such persons will guard against the risk that persons may attempt to evade the general order's bar on unlicensed exports or reexports to Mayrow by diverting commodities to Mayrow or to persons who are affiliated with or related to Mayrow. The general order will cover such persons by specifically listing them.

Second, the general order will cover persons whom the U.S. Government, including the U.S. Department of Commerce, has reason to believe, based on specific and articulable facts, have acquired or attempted to acquire commodities that are capable of being used in the construction of IEDs. These commodities have been, and may continue to be, employed in IEDs or other explosive devices used against Coalition Forces in Iraq and Afghanistan. The general order will cover such persons by specifically listing them. To guard against the risk of diversion of such commodities for IED-related purposes, the order will also specifically list the persons who are affiliated with or related to such persons.

To reflect this expansion, this rule will update the heading of the general order. This rule will use the term "persons," as defined in 15 CFR 772.1, rather than "entities," as the term "persons" covers individuals, organizations and entities. Pursuant to this rule, the general order will list alphabetically all of the persons subject to the order. For each person, the order will indicate the date on which the person was added to the order. All of the persons will be listed in paragraph (a). All of the persons listed will be subject to the same license requirements and limitations on the use of license exceptions. License applications involving these persons will be subject to a general policy of denial.

Addition of Certain Persons

Specifically, pursuant to the expansion described above, this rule adds sixteen additional persons, listed in alphabetical order, to General Order No. 3 as follows:

Al-Faris, RAK Free Zone, P.O. Box 10559, Ras Al Khaimah, U.A.E.;

Ali Akbar Yahya, 505 Siraj Building 17B Street, Mankhool, Dubai, U.A.E.;

Amir Mohammad Zahedi, RAK Free Zone, P.O. Box 10559, Ras Al Khaimah, U.A.E.;

EKT Electronics, 1st floor, Abbasieh Building, Hijaz Street, P.O. Box 10112, Damascus, Syria; and 1st floor, Hujij Building, Korniche Street, P.O. Box 817 No. 3, Beirut, Lebanon;

Encyclopedia Electronics Center, Musalam Al-Baroudi Street, Halbouni, Damascus, Syria;

Frank Lam, 1206-7, 12/F New Victory House, Hong Kong;

GBNTT, No. 34 Mansour Street, Tehran, Iran;

Majid Seif, 27-06 Amcorp Building, Jalan 18, Persiaran Barat 46050 Petaling Jaya, Selangor, Malaysia;

Mohammed Katranji, 1st floor, Abbasieh Building, Hijaz Street, P.O. Box 10112, Damascus, Syria; and 1st floor, Hujij Building, Korniche Street, P.O. Box 817 No. 3, Beirut, Lebanon;

Neda Industrial Group, No. 10 and 12, 64th St. Jamalodin Asadabadi Avenue, Tehran, Iran;

Nedayeh Micron Electronics, No. 34 Mansour St., Tehran, Iran;

Sayed-Ali Hosseini, 201 Latifah Building, Al Maktoum St., Dubai, U.A.E.;

Speedy Electronics Ltd., 1206-7, 12/F New Victory House, Hong Kong;

United Sources Industrial Enterprises, 11/F, Excelsior Building, 68-76 Sha Tsui Road, Hong Kong;

Vast Solution Sdn Bhd., 27-06 Amcorp Building, Jalan 18, Persiaran Barat, 46050 Petaling Jaya, Selangor, Malaysia; and

Y-Sing Components Limited, Unit 401, Harbour Ctr., Tower 2, 8 Hok Cheung Street, Hung Hom, Kowloon, Hong Kong.

Under this order, a BIS license is required for the export or reexport of any item subject to the EAR to any of the above-named persons, including any transaction in which any of the above-named persons will act as purchaser, intermediate consignee, ultimate consignee, or end-user of the items. This order also prohibits the use of License Exceptions (see part 740 of the EAR) for exports and reexports of items subject to the EAR involving such persons.

Consistent with section 6 of the Export Administration Act of 1979, as

amended (50 U.S.C. app. 2401–2420) (2000) (the “Act”), a foreign policy report was submitted to Congress on June 6, 2007, notifying Congress of the expansion of the general order and the imposition of a control in the form of a licensing requirement for exports and reexports of all items subject to the EAR destined to the persons listed in the order. The report also notified Congress that sixteen additional persons are added to General Order No. 3 with this final rule.

On June 5, 2007, BIS published a proposed rule in the **Federal Register** titled, “Authorization to Impose License Requirements for Exports or Reexports to Entities Contrary to the National Security or Foreign Policy Interests of the United States”. RIN 0694–AD92. That proposed rule, among other proposed changes related to the Entity List (Supplement No. 4 to Part 744 of the EAR), would create a new § 744.11 to authorize BIS to add to the Entity List entities that BIS has reasonable cause to believe, based on specific and articulable facts, have been, are or pose a risk of being involved in activities that are contrary to the national security or foreign policy interests of the United States or those acting on behalf of such entities. If that rule is published as a final rule, it may provide a basis for adding persons such as those listed in this expanded General Order No. 3 to the Entity List. Interested parties may include references to this final rule, RIN 0694–AD99, in their public comments submitted for RIN 0694–AD92, as outlined in that proposed rule under the Request for Comments section of the preamble.

Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 CFR 2001 Comp. 783 (2002)), as extended most recently by the Notice of August 3, 2006 (71 FR 44551 (August 7, 2006)), has continued the EAR in effect under the International Emergency Economic Powers Act (50 U.S.C. 1701–1706 (2000)) (“IEEPA”). BIS continues to carry out the provisions of the Act, as appropriate and to the extent permitted by law, pursuant to Executive Order 13222.

Rulemaking Requirements

1. This rule has been determined to be not significant for purposes of Executive Order 12866.

2. Notwithstanding any other provision of law, no person is required to respond to nor be subject to a penalty for failure to comply with a collection of information, subject to the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501

et seq.) (PRA), unless that collection of information displays a currently valid Office of Management and Budget (OMB) Control Number. This regulation involves collections previously approved by the OMB under control numbers 0694–0088, “Multi-Purpose Application,” which carries a burden hour estimate of 58 minutes to prepare and submit form BIS–748.

Miscellaneous and recordkeeping activities account for 12 minutes per submission. Total burden hours associated with the Paperwork Reduction Act and Office and Management and Budget control number 0694–0088 are expected to increase slightly as a result of this rule.

3. This rule does not contain policies with Federalism implications as that term is defined in Executive Order 13132.

4. The provisions of the Administrative Procedure Act (5 U.S.C. 553) requiring notice of proposed rulemaking, the opportunity for public participation, and a delay in effective date, are inapplicable because this regulation involves a military or foreign affairs function of the United States. (See 5 U.S.C. 553(a)(1)) Further, no other law requires that a notice of proposed rulemaking and an opportunity for public comment be given for this rule. Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this rule by 5 U.S.C. 553, or by any other law, the analytical requirements of the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, are not applicable.

List of Subjects in 15 CFR Part 736

Exports, foreign trade.

■ Accordingly, part 736 of the Export Administration Regulations (15 CFR part 736) is amended as follows:

PART 736—[AMENDED]

■ 1. The authority citation for 15 CFR part 736 continues to read as follows:

Authority: 50 U.S.C. app. 2401 *et seq.*; 50 U.S.C. 1701 *et seq.*; 22 U.S.C. 2151 (note), Pub. L. 108–175; E.O. 12938, 59 FR 59099, 3 CFR, 1994 Comp., p. 950; E.O. 13020, 61 FR 54079, 3 CFR, 1996 Comp., p. 219; E.O. 13026, 61 FR 58767, 3 CFR, 1996 Comp., p. 228; E.O. 13222, 66 FR 44025, 3 CFR, 2001 Comp., p. 783; E.O. 13338, 69 FR 26751, May 13, 2004; Notice of August 3, 2006, 71 FR 44551 (August 7, 2006); Notice of October 27, 2006, 71 FR 64109 (October 31, 2006).

■ 2. General Order 3 to Supplement No. 1 to part 736, is revised to read as follows:

Supplement No. 1 to Part 736—General Orders

* * * * *

General Order No. 3 of June 5, 2006, as amended on September 6, 2006 and June 8, 2007; Imposition of license requirement for exports and reexports of items subject to the EAR to persons, including persons affiliated with or related to such persons, as designated in paragraph (a) of this general order.

(a) *License requirements.* A license is required to export or reexport any item subject to the EAR to the persons listed in paragraph (a) of this general order. This license requirement also applies to specifically listed affiliated and related persons. This license requirement is effective for each listed person on the date that person was added to the general order, as specified in paragraph (a).

(1) A license is required to export or reexport any item subject to the EAR to these persons as follows: A.H. Shannad (added on September 6, 2006); Akbar Ashraf Vaghefi (added on September 6, 2006); Al-Faris (added on June 8, 2007); Ali Akbar Yahya (added on June 8, 2007); Amir Mohammad Zahedi (added on June 8, 2007); Atlinx Electronics (added on June 5, 2006); EKT Electronics (added on June 8, 2007); Encyclopedia Electronics Center (added on June 8, 2007); Farrokh Nia Yaghmaei, a.k.a., Farrokh Nia Yaghmayi (added on June 5, 2006); Frank Lam (added on June 8, 2007); GBNTT (added on June 8, 2007); H. Ghasir (added on June 5, 2006); Hamed Athari (added on September 6, 2006); IKCO Trading GmbH (added on September 6, 2006); Majid Seif (added on June 8, 2007); Majidco Micro Electronics (added on June 5, 2006); Mayrow General Trading (added on June 5, 2006); Mayrow Technics Co. (added on September 6, 2006); Micatic General Trading (added on June 5, 2006); Micro Middle East Electronics (added on June 5, 2006); Mohammed Katranji (added on June 8, 2007); Mostafa Salehi (added on September 6, 2006); Narinco (added on June 5, 2006); Neda Industrial Group (added on June 8, 2007); Neda Overseas Electronics L.L.C. (added on September 6, 2006); Nedayah Micron Electronics (added on June 8, 2007); Pyramid Technologies (added on September 6, 2006); S. Basheer (added on September 6, 2006); Sayed-Ali Hosseini (added on June 8, 2007); Speedy Electronics Ltd. (added on June 8, 2007); United Sources Industrial Enterprises (added on June 8, 2007); Vast Solution Sdn Bhd. (added on June 8, 2007); and Y-Sing Components Limited (added on June 8, 2007). This license requirement applies with respect to any transaction in which any of the above-named persons will act as purchaser, intermediate consignee, ultimate consignee, or end-user of the items.

(2) All persons described in paragraph (a) are located in Dubai, United Arab Emirates, except for Akbar Ashraf Vaghefi (located in Germany and Dubai, United Arab Emirates); EKT Electronics (located in Syria and Lebanon); Encyclopedia Electronics Center (located in Syria); Frank Lam (located in Hong Kong); GBNTT (located in Iran); IKCO Trading GmbH (located in Germany); Majid Seif (located in Malaysia); Mohammed

Katranji (located in Syria and Lebanon); Neda Industrial Group (located in Iran); Nedayeh Micron Electronics (located in Iran); Speedy Electronics Ltd. (located in Hong Kong); United Sources Industrial Enterprises (located in Hong Kong); Vast Solution Sdn Bhd. (located in Malaysia); and Y-Sing Components Limited (located in Hong Kong).

(b) *License Exceptions.* No License Exceptions are available for exports or reexports involving the persons described in paragraph (a) of this General Order.

(c) *Licensing Policy.* License applications involving the persons described in paragraph (a) of the General Order will be subject to a general policy of denial.

Dated: June 5, 2007.

Christopher A. Padilla,
Assistant Secretary for Export Administration.

[FR Doc. E7-11126 Filed 6-7-07; 8:45 am]

BILLING CODE 3510-33-P

DEPARTMENT OF HOMELAND SECURITY

Customs and Border Protection

DEPARTMENT OF THE TREASURY

19 CFR Parts 24, 113, and 128

[CBP Dec. 07-29; USCBP-2006-0015]

RIN 1505-AB39

Fees for Customs Processing at Express Consignment Carrier Facilities

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

ACTION: Final rule.

SUMMARY: This document amends title 19 of the Code of Federal Regulations (19 CFR) to reflect changes to the customs user fee statute made by section 337 of the Trade Act of 2002 and section 2004(f) of the Miscellaneous Trade and Technical Corrections Act of 2004. The statutory amendments made by section 337 concern the fees payable for customs services provided in connection with the informal entry or release of shipments at express consignment carrier facilities and centralized hub facilities, and primarily serve to replace the annual lump sum payment procedure with a quarterly payment procedure based on a specific fee for each individual air waybill or bill of lading. Section 2004(f) amended the user fee statute by authorizing the assessment of both the merchandise processing fee and a reimbursable fee assessed on each air waybill or bill of lading for merchandise that is formally entered at these sites and valued at \$2,000 or less. In addition, pursuant to

the authority established in 19 U.S.C. 58c(b)(9)(B)(i), this document raises the existing \$0.66 fee assessed on individual air waybills or bills of lading to \$1.00 to more equitably align it with the actual costs incurred by CBP in processing these items.

EFFECTIVE DATE: July 9, 2007.

FOR FURTHER INFORMATION CONTACT: Michael L. Jackson, Office of Field Operations, Cargo Control, Tel.: (202) 344-1196.

SUPPLEMENTARY INFORMATION:

Background

On July 28, 2006, CBP published in the **Federal Register** (71 FR 42778) a proposal to reflect the changes to the customs user fee statute made by section 337 of the Trade Act of 2002 and section 2004(f) of the Miscellaneous Trade and Technical Corrections Act of 2004, as well as to raise the existing \$0.66 fee assessed on individual air waybills or bills of lading to \$1.00.

Statutory Changes Made by Section 337(a) of the Trade Act of 2002

On August 6, 2002, the President signed into law the Trade Act of 2002, Public Law 107-210, 116 Stat. 933. Section 337(a) of the Trade Act of 2002 amended section 13031(b)(9) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(9)) by adding new requirements for the payment of user fees for customs services provided by CBP to express consignment carrier facilities and centralized hub facilities in connection with imported letters, documents, shipments or other merchandise to which informal entry procedures apply. The statutory amendments made by section 337 replaced the annual lump sum payment procedure with a quarterly payment procedure based on a specific fee for each individual air waybill or bill of lading. In addition, section 337(a) amended 19 U.S.C. 58c(b)(9)(B)(i) to authorize the Secretary of the Treasury to adjust the \$0.66 fee prescribed in 19 U.S.C. 58c(b)(9)(A)(ii) to an amount that is not less than \$0.35 and not more than \$1.00 per individual air waybill or bill of lading.

Statutory Changes Made by Section 2004(f) of the Miscellaneous Trade and Technical Corrections Act of 2004

The Miscellaneous Trade and Technical Corrections Act of 2004 ("Trade Act of 2004") was signed into law by the President on December 3, 2004 (Pub. L. 108-429, 18 Stat. 2593). Section 2004(f) of the Trade Act of 2004 made further amendments to section 13031(b)(9) of the Consolidated

Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(9)) and authorized the assessment of merchandise processing fees provided for in 19 U.S.C. 58c(a)(9), as well as the fees that are currently assessed on individual air waybills or bills of lading, for merchandise that is formally entered at express consignment carrier facilities and centralized hub facilities and valued at \$2,000 or less.

Notice of Proposed Rulemaking

In the Notice of Proposed Rulemaking published in the **Federal Register** (71 FR 42778) on July 28, 2006, CBP proposed amendments to its regulations to conform to the statutory changes described above. In addition, pursuant to the authority established in 19 U.S.C. 58c(b)(9)(B)(i), that document set forth a proposed adjustment by the Secretary of the Treasury to increase the \$0.66 reimbursable fee prescribed by 19 U.S.C. 58c(b)(9)(A)(ii) and payable to CBP by express consignment carrier facilities and centralized carrier facilities to \$1.00. The fee increase is necessary to adequately reimburse CBP for the actual costs incurred by the agency in processing individual air waybills and bills of lading at these sites. The only mechanism for reimbursing CBP for these relocation expenses is through the established fee, which does not sufficiently cover CBP's regular expenses at these sites.

CBP solicited comments on these proposals.

Discussion of Comments

Five commenters responded to the solicitation of public comment in the proposed rule. A description of the comments received, together with CBP's analyses, is set forth below.

Comment: Four commenters expressed the view that proposed § 24.23(b)(1)(i)(A), which states, in part, that "merchandise that is formally entered is subject to a \$1.00 per individual air waybill or bill of lading fee * * *" does not accurately reflect section 2004(f) of the Miscellaneous Trade and Technical Corrections Act of 2004. The commenters uniformly interpret section 2004(f) as authorizing the assessment of both the merchandise processing fee (MPF) and a reimbursable fee for each air waybill or bill of lading only for formal entries valued at \$2,000 or less.

CBP's Response: CBP agrees. The final rule will clarify that only those formal entries valued at \$2,000 or less are subject to both the merchandise processing fee and the reimbursable fee assessed per individual air waybill or bill of lading.