

also explain that this civil penalty shall be periodically adjusted for inflation in accordance with the provisions of the Federal Civil Penalties Inflation Adjustment Act of 1990. Finally, the regulation shall state that for violations occurring after October 23, 1996, the civil penalty shall be not more than \$11,000 for each offense.

#### *Executive Order 12866*

It has been determined that this final rule is not a significant regulatory action as defined in E.O. 12866, because any economic effects flow directly from the underlying statute and not from this final rule. Therefore, a regulatory assessment is not required.

#### *Administrative Procedure Act*

Because this document merely implements the law and because immediate guidance is necessary to implement the provisions of the law, it is found to be impracticable to issue this Treasury decision with notice and public procedure under 5 U.S.C. 553(b), or subject to the effective date limitation in section 553(d).

#### *Regulatory Flexibility Act*

The provisions of the Regulatory Flexibility Act relating to an initial and final regulatory flexibility analysis (5 U.S.C. 603, 604) are not applicable to this final rule because the agency was not required to publish a notice of proposed rulemaking under 5 U.S.C. 553 or any other law. Accordingly, a regulatory flexibility analysis is not required.

#### *Paperwork Reduction Act*

The provisions of the Paperwork Reduction Act of 1995, Pub. L. 104-13, 44 U.S.C. Chapter 35, and its implementing regulations, 5 CFR Part 1320, do not apply to this final rule because no requirement to collect information is imposed.

#### *Drafting Information*

The author of this document is James P. Ficaretta, Wine, Beer and Spirits Regulations Branch, Bureau of Alcohol, Tobacco and Firearms.

#### List of Subjects in 27 CFR Part 16

Beer, Consumer protection, Customs duties and inspection, Health, Imports, Labeling, Liquors, Packaging and containers, Safety, and Wine.

#### Authority and Issuance

27 CFR Part 16—ALCOHOLIC BEVERAGE HEALTH WARNING STATEMENT is amended as follows:

Paragraph 1. The authority citation for 27 CFR Part 16 is revised to read as follows:

Authority: 27 U.S.C. 205, 215, 218; 28 U.S.C. 2461 note.

Par. 2. Section 16.33 is added to Subpart D to read as follows:

#### **§ 16.33 Civil penalties.**

(a) *General.* Any person who violates the provisions of this part shall be subject to a civil penalty of not more than \$10,000, and each day shall constitute a separate offense.

(b) *Adjusted penalty for violations occurring after October 23, 1996.* Pursuant to the provisions of the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended, the civil penalty provided for in paragraph (a) of this section shall be periodically adjusted in accordance with inflation. Accordingly, for violations occurring after October 23, 1996, the civil penalty shall be not more than \$11,000.

Signed: September 25, 1996.

John W. Magaw,  
*Director.*

Approved: October 3, 1996.

Timothy E. Skud,  
*Acting Deputy Assistant Secretary  
(Regulatory, Tariff and Trade Enforcement).*

[FR Doc. 96-27083 Filed 10-22-96; 8:45 am]

BILLING CODE 4810-31-P

#### **Office of Foreign Assets Control**

**31 CFR Parts 500, 515, 535, 550, 560, 575, 585, 590 and 595**

**Foreign Assets Control Regulations, Cuban Assets Control Regulations, Iranian Assets Control Regulations, Libyan Sanctions Regulations, Iranian Transactions Regulations, Iraqi Sanctions Regulations; Federal Republic of Yugoslavia (Serbia and Montenegro) and Bosnian Serb-Controlled Areas of the Republic of Bosnia and Herzegovina Sanctions Regulations, UNITA (Angola) Sanctions Regulations, Terrorism Sanctions Regulations; Implementation of Section 4 of the Federal Civil Penalties Inflation Adjustment Act of 1990, as Amended by the Debt Collection Improvement Act of 1996**

**AGENCY:** Office of Foreign Assets Control, Treasury.

**ACTION:** Final rule; amendments.

**SUMMARY:** This final rule amends the Foreign Assets Control Regulations, Cuban Assets Control Regulations, Iranian Assets Control Regulations, Libyan Sanctions Regulations, Iranian Transactions Regulations, Iraqi Sanctions Regulations, Federal Republic

of Yugoslavia (Serbia and Montenegro) and Bosnian Serb-Controlled Areas of the Republic of Bosnia and Herzegovina Sanctions Regulations, UNITA (Angola) Sanctions Regulations, and Terrorism Sanctions Regulations (collectively, the "Regulations") to implement section 4 of the Federal Civil Penalties Inflation Adjustment Act of 1990, as amended by the Debt Collection Improvement Act of 1996, by adjusting for inflation the amount of the civil monetary penalties that may be assessed under the Regulations. The rule also amends the penalty provisions of the Regulations to reflect a 1994 amendment to 18 U.S.C. 1001. Certain of the Regulations are also amended to note the availability of higher criminal fines under 18 U.S.C. 3571.

**EFFECTIVE DATE:** October 21, 1996.

**FOR FURTHER INFORMATION CONTACT:** Mrs. B.S. Scott, Chief, Civil Penalties Program (tel.: 202/622-6140); or William B. Hoffman, Chief Counsel (tel.: 202/622-2410), Office of Foreign Assets Control, Department of the Treasury, Washington, DC 20220.

#### **SUPPLEMENTARY INFORMATION:**

Electronic and Facsimile Availability

This document is available as an electronic file on The Federal Bulletin Board the day of publication in the Federal Register. By modem, dial 202/512-1387 and type "/GO FAC," or call 202/512-1530 for disk or paper copies. This file is available for downloading without charge in WordPerfect 5.1, ASCII, and Adobe Acrobat™ readable (\*.PDF) formats. For Internet access, the address for use with the World Wide Web (Home Page), Telnet, or FTP protocol is: fedbbs.access.gpo.gov. The document is also accessible for downloading in ASCII format without charge from Treasury's Electronic Library ("TEL") in the "Business, Trade and Labor Mall" of the FedWorld bulletin board. By modem, dial 703/321-3339, and select the appropriate self-expanding file in TEL. For Internet access, use one of the following protocols: Telnet=fedworld.gov (192.239.93.3); World Wide Web (Home Page) = http://www.fedworld.gov; FTP = ftp.fedworld.gov (192.239.92.205). Additional information concerning the programs of the Office of Foreign Assets Control is available for downloading from the Office's Internet Home Page: http://www.ustreas.gov/treasury/services/fac/fac.html, or in fax form through the Office's 24-hour fax-on-demand service: call 202/622-0077 using a fax machine, fax modem, or touch tone telephone.

## Background

Section 4 of the Federal Civil Penalties Inflation Adjustment Act of 1990 (Pub. L. 101-410, 104 Stat. 890, 28 U.S.C. 2461 note), as amended by the Debt Collection Improvement Act of 1996 (Pub.L. 104-134, sec. 31001(s)(1), Apr. 26, 1996, 110 Stat. 1321-373—the “DCIA”) (jointly, the “FCPIA”), requires each Federal agency with statutory authority to assess civil monetary penalties (“CMPs”) to adjust CMPs for inflation according to a formula described in section 5 of the FCPIA. The purpose of the FCPIA is to maintain the deterrent effect of CMPs through periodic cost-of-living based adjustments. The first inflation adjustment is required by October 23, 1996—180 days after the enactment of the DCIA. Thereafter, agencies are to make inflation adjustments at least once every four years. Adjustments of CMPs are to be made by regulation published in the Federal Register. Any increase in a CMP made pursuant to the FCPIA applies only to violations that occur after the date the increase takes effect.

Section 5 of the FCPIA requires that each CMP having a specified or maximum monetary amount provided for by Federal law be increased by the percentage by which the Consumer Price Index for all urban consumers (the “CPI”) for the month of June of the calendar year preceding the adjustment exceeds the CPI for the month of June of the calendar year in which the amount of the CMP was last set or adjusted pursuant to law. Section 5 also provides a formula for rounding the final CMP amount. Finally, section 31001(s)(2) of the DCIA mandates that the first inflation adjustment of a CMP may not exceed 10 percent of the penalty prior to adjustment.

The Office of Foreign Assets Control currently imposes CMPs pursuant to three statutes: the Trading with the Enemy Act (50 U.S.C. App. 16—“TWEA”), the International Emergency Economic Powers Act (50 U.S.C. 1705—“IEEPA”), and section 580E of the Iraq Sanctions Act of 1990 (Pub.L. 101-513, 104 Stat. 2049, 50 U.S.C. 1701 note—“ISA”). The CMP amount of \$50,000 under TWEA was set in 1992. Thus, pursuant to the FCPIA, the TWEA statutory CMP must be increased by the difference between the CPI for 1995 and the CPI for 1992, or 8.8%, which, after rounding, equals \$5,000. Thus, this final rule amends the maximum TWEA-based CMP per violation to be the inflation-adjusted amount of \$55,000.

The CMP amount of \$10,000 under IEEPA was set in 1977. Applying the CPI inflator of the FCPIA would

increase the CMP under IEEPA by 151.2%, exceeding the DCIA’s 10% cap. The adjustment is limited to \$1,000. Thus, this rule fixes the maximum IEEPA-based CMP per violation at \$11,000.

The CMP amount of \$250,000 under the ISA was set in 1990. The CPI inflator under the FCPIA (17.4%) again exceeds the DCIA 10% cap of \$25,000. Thus, this rule amends the maximum ISA-based CMP per violation to be \$275,000.

This rule also amends the penalty provisions of the Regulations to reflect an amendment to 18 U.S.C. 1001 contained in section 330016(1)(L) of Public Law 103-322, Sept. 13, 1994, 108 Stat. 2147. The amendment strikes the \$10,000 cap on fines imposed for fraudulent dealing with Federal agencies. Finally, this rule amends the Regulations to note the availability of higher criminal fines pursuant to the formulas set forth in 18 U.S.C. 3571.

Since the Regulations involve a foreign affairs function, Executive Order 12886 and the provisions of the Administrative Procedure Act (5 U.S.C. 553), requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date, are inapplicable. Because no notice of proposed rulemaking is required for this rule, the Regulatory Flexibility Act (5 U.S.C. 601-612) does not apply.

This rule contains no collection of information.

## List of Subjects

### 31 CFR Part 500

Administrative practice and procedure, Banks, banking, Blocking of assets, Cambodia, Exports, Finance, Foreign claims, Foreign investment in the United States, Foreign trade, Imports, Information and informational materials, International organizations, North Korea, Penalties, Publications, Reporting and recordkeeping requirements, Securities, Services, Specially designated nationals, Terrorism, Travel restrictions, Trusts and estates, Vietnam.

### 31 CFR Part 515

Administrative practice and procedure, Air carriers, Banks, banking, Blocking of assets, Cuba, Currency, Estates, Exports, Foreign investment in the United States, Foreign trade, Imports, Informational materials, Penalties, Publications, Reporting and recordkeeping requirements, Securities, Shipping, Specially designated nationals, Terrorism, Travel restrictions, Trusts and trustees, Vessels.

### 31 CFR Part 535

Administrative practice and procedure, Banks, banking, Blocking of assets, Currency, Foreign investment in the United States, Iran, Penalties, Reporting and recordkeeping requirements, Securities, Terrorism.

### 31 CFR Part 550

Administrative practice and procedure, Banks, banking, Blocking of assets, Exports, Foreign investment, Foreign trade, Government of Libya, Imports, Libya, Loans, Penalties, Reporting and recordkeeping requirements, Securities, Services, Specially designated nationals, Terrorism, Travel restrictions.

### 31 CFR Part 560

Administrative practice and procedure, Agriculture commodities, Banking and finance, Exports, Foreign trade, Imports, Information, Investments, Iran, Loans, Penalties, Reporting and recordkeeping requirements, Services, Specially designated nationals, Terrorism, Transportation.

### 31 CFR Part 575

Administrative practice and procedure, Banks, banking, Blocking of assets, Exports, Foreign trade, Humanitarian aid, Imports, Iraq, Oil imports, Penalties, Petroleum, Petroleum products, Reporting and recordkeeping requirements, Specially designated nationals, Terrorism, Travel restrictions.

### 31 CFR Part 585

Administrative practice and procedure, Banking and finance, Blocking of assets, Exports, Federal Republic of Yugoslavia (Serbia and Montenegro), Foreign trade, Imports, Intellectual property, Loans, Penalties, Reporting and recordkeeping requirements, Securities, Services, Shipping, Telecommunications, Transfer of assets, Vessels.

### 31 CFR Part 590

Administrative practice and procedure, Angola, Exports, Foreign trade, National Union for the Total Independence of Angola, Penalties, Reporting and recordkeeping requirements, Shipping, UNITA, Vessels.

### 31 CFR Part 595

Administrative practice and procedure, Banking and finance, Blocking of assets, Penalties, Reporting and recordkeeping requirements, Specially designated terrorists, Terrorism, Transfer of Assets.

For the reasons set forth in the preamble, 31 CFR chapter V is amended as follows:

**PART 500—FOREIGN ASSETS CONTROL REGULATIONS**

1. The authority citation for part 500 is revised to read as follows:

Authority: 50 U.S.C. App. 1044; Pub. L. 104-132, 110 Stat. 1214, 1254 (18 U.S.C. 2332d); Pub. L. 101-410, 104 Stat. 890 (28 U.S.C. 2461 note); E.O. 9193, 7 FR 5205, 3 CFR, 1938-1943 Comp., p. 1174; E.O. 9989, 13 FR 4891, 3 CFR, 1943-48 Comp., p. 748.

**Subpart G—Penalties**

2. Section 500.701 is amended by removing paragraph (a)(6), redesignating existing paragraphs (b) and (c) as paragraphs (c) and (d), respectively, adding a new paragraph (b), and revising introductory paragraph (a), paragraph (a)(3), and redesignated paragraph (c) to read as follows:

**§ 500.701 Penalties.**

(a) Attention is directed to section 16 of the Trading with the Enemy Act (50 U.S.C. App. 16), as amended by the Federal Civil Penalties Inflation Adjustment Act of 1990 (Pub. L. 101-410, as amended, 28 U.S.C. 2461 note), which provides that:

- (1) \* \* \*
- (2) \* \* \*

(3) The Secretary of the Treasury may impose a civil penalty of not more than \$55,000 per violation on any person who violates any license, order, or regulation issued under that act;

- (4) \* \* \*
- (5) \* \* \*

(b) The criminal penalties provided in the Trading with the Enemy Act are subject to increase pursuant to 18 U.S.C. 3571.

(c) Attention is directed to 18 U.S.C. 1001, which provides that whoever, in any matter within the jurisdiction of any department or agency of the United States, knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representation or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under title 18, United States Code, or imprisoned not more than five years, or both.

\* \* \* \* \*

**PART 515—CUBAN ASSETS CONTROL REGULATIONS**

1. The authority citation for part 515 is revised to read as follows:

Authority: 50 U.S.C. App. 1-44; 22 U.S.C. 6001-6010; 22 U.S.C. 2370(a); Pub. L. 104-132, 110 Stat. 1214, 1254 (18 U.S.C. 2332d); Pub. L. 101-410, 104 Stat. 890 (28 U.S.C. 2461 note); Proc. 3447 27 FR 1085, 3 CFR 1959-1963 Comp., p. 157; E.O. 9193, 7 FR 5205, 3 CFR, 1938-1943 Comp., p. 1147; E.O. 9989, 13 FR 4891, 3 CFR, 1943-48 Comp., p. 748; E.O. 12854, 58 FR 36587, 3 CFR 1993 Comp., p. 614.

**Subpart G—Penalties**

2. Section 515.701 is amended by removing paragraph (a)(5), redesignating paragraphs (b), (c), (d) and (e) as paragraphs (c), (d), (e) and (f), respectively, adding a new paragraph (b), and revising introductory paragraph (a), paragraph (a)(3), and redesignated paragraph (d) to read as follows:

**§ 515.701 Penalties.**

(a) Attention is directed to section 16 of the Trading with the Enemy Act (50 U.S.C. App. 16), as amended by the Federal Civil Penalties Inflation Adjustment Act of 1990 (Pub.L. 101-410, as amended, 28 U.S.C. 2461 note), which provides that:

- (1) \* \* \*
- (2) \* \* \*

(3) The Secretary of the Treasury may impose a civil penalty of not more than \$55,000 per violation on any person who violates any license, order, or regulation issued under that act;

- (4) \* \* \*

(b) The criminal penalties provided in the Trading with the Enemy Act are subject to increase pursuant to 18 U.S.C. 3571.

- (c) \* \* \*

(d) Attention is directed to 18 U.S.C. 1001, which provides that whoever, in any matter within the jurisdiction of any department or agency of the United States, knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representation or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under title 18, United States Code, or imprisoned not more than five years, or both.

\* \* \* \* \*

**PART 535—IRANIAN ASSETS CONTROL REGULATIONS**

1. The authority citation for part 535 is revised to read as follows:

Authority: 50 U.S.C. 1701-1706; Pub. L. 104-132, 110 Stat. 1214, 1254 (18 U.S.C. 2332d); Pub. L. 101-410, 104 Stat. 890 (28 U.S.C. 2461 note); E.O. 12170, 44 FR 65729, 3 CFR, 1979 Comp., p. 457; E.O. 12205, 45 FR 24099, 3 CFR, 1980 Comp., p. 248; E.O.

12211, 45 FR 26685, 3 CFR, 1980 Comp., p. 253; E.O. 12276, 46 FR 7913, 3 CFR 1981 Comp., p. 104; E.O. 12279, 46 FR 7919, 3 CFR, 1981 Comp., p. 109; E.O. 12280, 46 FR 7921, 3 CFR, 1981 Comp., p. 110; E.O. 12281, 46 FR 7923, 3 CFR, 1981 Comp., p. 110; E.O. 12282, 46 FR 7925, 3 CFR, 1981 Comp., p. 113; E.O. 12283, 46 FR 7927, 3 CFR, 1981 Comp., p.114; and E.O. 12294, 46 FR 14111, 3 CFR, 1981 Comp., p. 139.

**Subpart G—Penalties**

2. Section 535.701 is amended by redesignating existing paragraphs (b) and (c) as paragraphs (c) and (d), respectively, adding a new paragraph (b), and revising paragraph (a) and redesignated paragraph (c) to read as follows:

**§ 535.701 Penalties.**

(a) Attention is directed to section 206 of the International Emergency Economic Powers Act (the "Act") (50 U.S.C. 1705), which is applicable to violations of the provisions of any license, ruling, regulation, order, direction or instruction issued by or pursuant to the direction or authorization of the Secretary of the Treasury pursuant to this part or otherwise under the Act. Section 206 of the Act, as amended by the Federal Civil Penalties Inflation Adjustment Act of 1990 (Pub.L. 101-410, as amended, 28 U.S.C. 2461 note), provides that:

(1) A civil penalty of not to exceed \$11,000 per violation may be imposed on any person who violates any license, order, or regulation issued under the Act;

(2) Whoever willfully violates any license, order, or regulation issued under the Act shall, upon conviction, be fined not more than \$50,000, or, if a natural person, may be imprisoned for not more than ten years, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment or both.

(b) The criminal penalties provided in the Act are subject to increase pursuant to 18 U.S.C. 3571.

(c) Attention is also directed to 18 U.S.C. 1001, which provides that whoever, in any matter within the jurisdiction of any department or agency of the United States, knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statement or representation or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under title 18, United States Code,

or imprisoned not more than five years, or both.

\* \* \* \* \*

**PART 550—LIBYAN SANCTIONS REGULATIONS**

1. The authority citation for part 550 is revised to read as follows:

Authority: 50 U.S.C. 1701–1706; 50 U.S.C. 1601–1651; 22 U.S.C. 287c; 49 U.S.C. App. 1514; 22 U.S.C. 2349aa–8 and 2349aa–9; Pub. L. 104–132, 110 Stat. 1214, 1254 (18 U.S.C. 2332d); 3 U.S.C. 301; Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note); E.O. 12543, 51 FR 875, 3 CFR, 1986 Comp., p. 181; E.O. 12544, 51 FR 1235, 3 CFR, 1986 Comp., p. 183; E.O. 12801, 57 FR 14319, 3 CFR, 1992 Comp., p. 294.

**Subpart G—Penalties**

2. Section 550.701 is amended by redesignating existing paragraphs (b), (c) and (d) as paragraphs (c), (d) and (e), respectively, adding a new paragraph (b), and revising paragraph (a) and redesignated paragraph (c) to read as follows:

**§ 550.701 Penalties.**

(a) Attention is directed to section 206 of the International Emergency Economic Powers Act (the “Act”) (50 U.S.C. 1705), which is applicable to violations of the provisions of any license, ruling, regulation, order, direction or instruction issued by or pursuant to the direction or authorization of the Secretary of the Treasury pursuant to this part or otherwise under the Act. Section 206 of the Act, as amended by the Federal Civil Penalties Inflation Adjustment Act of 1990 (Pub.L. 101–410, as amended, 28 U.S.C. 2461 note), provides that:

(1) A civil penalty of not to exceed \$11,000 per violation may be imposed on any person who violates any license, order, or regulation issued under the Act;

(2) Whoever willfully violates any license, order, or regulation issued under the Act shall, upon conviction be fined not more than \$50,000, or, if a natural person, may be imprisoned for not more than ten years, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment or both.

(b) The criminal penalties provided in the Act are subject to increase pursuant to 18 U.S.C. 3571.

(c) Attention is also directed to 18 U.S.C. 1001, which provides that whoever, in any matter within the jurisdiction of any department or agency of the United States, knowingly and willfully falsifies, conceals or covers up

by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statement or representation or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under title 18, United States Code, or imprisoned not more than five years, or both.

\* \* \* \* \*

**PART 560—IRANIAN TRANSACTIONS REGULATIONS**

1. The authority citation for part 560 is revised to read as follows:

Authority: 50 U.S.C. 1701–1706; 50 U.S.C. 1601–1651; 22 U.S.C. 2349aa–9; Pub. L. 104–132, 110 Stat. 1214, 1254 (18 U.S.C. 2332d); Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note); 3 U.S.C. 301; E.O. 12613, 52 FR 41940, 3 CFR, 1987 Comp., p. 256; E.O. 12957, 60 FR 14615, 3 CFR 1995 Comp., p. 332; E.O. 12959, 60 FR 24757, 3 CFR 1995 Comp., p. 356.

**Subpart G—Penalties**

2. Section 560.701 is amended by redesignating existing paragraphs (b), (c) and (e) as paragraphs (c), (e) and (d), respectively, adding a new paragraph (b), and revising paragraph (a) and redesignated paragraph (c) to read as follows:

**§ 560.701 Penalties.**

(a) Attention is directed to section 206 of the International Emergency Economic Powers Act (the “Act”) (50 U.S.C. 1705), which is applicable to violations of the provisions of any license, ruling, regulation, order, direction or instruction issued by or pursuant to the direction or authorization of the Secretary of the Treasury pursuant to this part or otherwise under the Act. Section 206 of the Act, as amended by the Federal Civil Penalties Inflation Adjustment Act of 1990 (Pub.L. 101–410, as amended, 28 U.S.C. 2461 note), provides that:

(1) A civil penalty of not to exceed \$11,000 per violation may be imposed on any person who violates any license, order, or regulation issued under the Act;

(2) Whoever willfully violates any license, order, or regulation issued under the Act shall, upon conviction be fined not more than \$50,000, or, if a natural person, may be imprisoned for not more than ten years, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment or both.

(b) The criminal penalties provided in the Act are subject to increase pursuant to 18 U.S.C. 3571.

(c) Attention is also directed to 18 U.S.C. 1001, which provides that whoever, in any matter within the jurisdiction of any department or agency of the United States, knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statement or representation or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under title 18, United States Code, or imprisoned not more than five years, or both.

\* \* \* \* \*

**PART 575—IRAQI SANCTIONS REGULATIONS**

1. The authority citation for part 575 is revised to read as follows:

Authority: 50 U.S.C. 1701–1706; 50 U.S.C. 1601–1651; 22 U.S.C. 287c; Pub. L. 104–132, 110 Stat. 1214, 1254 (18 U.S.C. 2332d); Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note); 3 U.S.C. 301; E.O. 12722, 55 FR 31803, 3 CFR, 1990 Comp., p. 294; E.O. 12724, 55 FR 33089, 3 CFR, 1992 Comp., p. 317.

**Subpart G—Penalties**

2. Section 575.701 is amended by redesignating existing paragraphs (b), (c), (d) and (e) as paragraphs (c), (d), (e) and (f), respectively, adding a new paragraph (b), adding a new final sentence to redesignated paragraph (c), and revising introductory paragraph (a), paragraph (a)(1), and redesignated paragraph (d) to read as follows:

**§ 575.701 Penalties.**

(a) Section 580E of the Iraq Sanctions Act of 1990 (Public Law 101–513, 104 Stat. 2049), as amended by the Federal Civil Penalties Inflation Adjustment Act of 1990 (Pub.L. 101–410, as amended, 28 U.S.C. 2461 note), provides that, notwithstanding section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) and section 5(b) of the United Nations Participation Act of 1945 (22 U.S.C. 287c(b)):

(1) A civil penalty of not to exceed \$275,000 per violation may be imposed on any person who, after the enactment of this Act, violates or evades or attempts to violate or evade Executive Order Number 12722, 12723, 12724, or 12725, or any license, order, or regulation issued under any such Executive Order;

(2) \* \* \*

(3) \* \* \*

(b) The criminal penalties provided in the Iraq Sanctions Act are subject to increase pursuant to 18 U.S.C. 3571.

(c) \* \* \* The criminal penalties provided in the United Nations

Participation Act are subject to increase pursuant to 18 U.S.C. 3571.

(d) Attention is also directed to 18 U.S.C. 1001, which provides that whoever, in any matter within the jurisdiction of any department or agency of the United States, knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statement or representation or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under title 18, United States Code, or imprisoned not more than five years, or both.

\* \* \* \* \*

**PART 585—FEDERAL REPUBLIC OF YUGOSLAVIA (SERBIA AND MONTENEGRO) AND THE BOSNIAN SERB-CONTROLLED AREAS OF THE REPUBLIC OF BOSNIA AND HERZEGOVINA SANCTIONS REGULATIONS**

1. The authority citation for part 585 is revised to read as follows:

Authority: 50 U.S.C. 1701–1706; 50 U.S.C. 1601–1651; 22 U.S.C. 287c; 49 U.S.C. App. 1514; Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note); 3 U.S.C. 301; E.O. 12808, 57 FR 23299; E.O. 12810, 57 FR 24347; E.O. 12831, 58 FR 5253.

**Subpart G—Penalties**

2. Section 585.701 is amended by redesignating existing paragraphs (b), (c), and (d) as paragraphs (c), (d), and (e), respectively, adding a new paragraph (b), adding a new final sentence to redesignated paragraph (c), and revising paragraph (a) and redesignated paragraph (d) to read as follows:

**§ 585.701 Penalties.**

(a) Attention is directed to section 206 of the International Emergency Economic Powers Act (the “Act”) (50 U.S.C. 1705), which is applicable to violations of the provisions of any license, ruling, regulation, order, direction or instruction issued by or pursuant to the direction or authorization of the Secretary of the Treasury pursuant to this part or otherwise under the Act. Section 206 of the Act, as amended by the Federal Civil Penalties Inflation Adjustment Act of 1990 (Pub.L. 101–410, as amended, 28 U.S.C. 2461 note), provides that:

(1) A civil penalty of not to exceed \$11,000 per violation may be imposed on any person who violates any license, order, or regulation issued under the Act;

(2) Whoever willfully violates any license, order, or regulation issued under the Act shall, upon conviction be fined not more than \$50,000, or, if a natural person, may be imprisoned for not more than ten years, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment or both.

(b) The criminal penalties provided in the Act are subject to increase pursuant to 18 U.S.C. 3571.

(c) \* \* \* The criminal penalties provided in the United Nations Participation Act are subject to increase pursuant to 18 U.S.C. 3571.

(d) Attention is also directed to 18 U.S.C. 1001, which provides that whoever, in any matter within the jurisdiction of any department or agency of the United States, knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statement or representation or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under title 18, United States Code, or imprisoned not more than five years, or both.

\* \* \* \* \*

**PART 590—UNITA (ANGOLA) SANCTIONS REGULATIONS**

1. The authority citation for part 590 is revised to read as follows:

Authority: 50 U.S.C. 1701–1706; 50 U.S.C. 1601–1651; 22 U.S.C. 287c; Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note); 3 U.S.C. 301; E.O. 12865, 58 FR 51005.

**Subpart G—Penalties**

2. Section 590.701 is amended by redesignating existing paragraphs (b), (c) and (d) as paragraphs (c), (d) and (e), respectively, adding a new paragraph (b), adding a new final sentence to redesignated paragraph (c), and revising paragraph (a) and redesignated paragraph (d) to read as follows:

**§ 590.701 Penalties.**

(a) Attention is directed to section 206 of the International Emergency Economic Powers Act (the “Act”) (50 U.S.C. 1705), which is applicable to violations of the provisions of any license, ruling, regulation, order, direction or instruction issued by or pursuant to the direction or authorization of the Secretary of the Treasury pursuant to this part or otherwise under the Act. Section 206 of the Act, as amended by the Federal Civil Penalties Inflation Adjustment Act of

1990 (Pub. L. 101–410, as amended, 28 U.S.C. 2461 note), provides that:

(1) A civil penalty of not to exceed \$11,000 per violation may be imposed on any person who violates any license, order, or regulation issued under the Act;

(2) Whoever willfully violates any license, order, or regulation issued under the Act shall, upon conviction be fined not more than \$50,000, or, if a natural person, may be imprisoned for not more than ten years, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment or both.

(b) The criminal penalties provided in the Act are subject to increase pursuant to 18 U.S.C. 3571.

(c) \* \* \* The criminal penalties provided in the United Nations Participation Act are subject to increase pursuant to 18 U.S.C. 3571.

(d) Attention is also directed to 18 U.S.C. 1001, which provides that whoever, in any matter within the jurisdiction of any department or agency of the United States, knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statement or representation or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under title 18, United States Code, or imprisoned not more than five years, or both.

\* \* \* \* \*

**PART 595—TERRORISM SANCTIONS REGULATIONS**

1. The authority citation for part 595 is revised to read as follows:

Authority: 50 U.S.C. 1701–1706; 50 U.S.C. 1601–1651; 3 U.S.C. 301; Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note); E.O. 12947, 60 FR 5079.

**Subpart G—Penalties**

2. Section 595.701 is amended by redesignating existing paragraph (b) as paragraph (c), adding a new paragraph (b), and revising paragraph (a) and redesignated paragraph (c) to read as follows:

**§ 595.701 Penalties.**

(a) Attention is directed to section 206 of the International Emergency Economic Powers Act (the “Act”) (50 U.S.C. 1705), which is applicable to violations of the provisions of any license, ruling, regulation, order, direction or instruction issued by or pursuant to the direction or

authorization of the Secretary of the Treasury pursuant to this part or otherwise under the Act. Section 206 of the Act, as amended by the Federal Civil Penalties Inflation Adjustment Act of 1990 (Pub. L. 101-410, as amended, 28 U.S.C. 2461 note), provides that:

(1) A civil penalty of not to exceed \$11,000 per violation may be imposed on any person who violates any license, order, or regulation issued under the Act;

(2) Whoever willfully violates any license, order, or regulation issued under the Act shall, upon conviction be fined not more than \$50,000, or, if a natural person, may be imprisoned for not more than ten years, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment or both.

(b) The criminal penalties provided in the Act are subject to increase pursuant to 18 U.S.C. 3571.

(c) Attention is also directed to 18 U.S.C. 1001, which provides that whoever, in any matter within the jurisdiction of any department or agency of the United States, knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statement or representation or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under title 18, United States Code, or imprisoned not more than five years, or both.

\* \* \* \* \*

Dated: October 17, 1996.

R. Richard Newcomb,  
Director, Office of Foreign Assets Control.

Approved: October 18, 1996.

James E. Johnson,  
Assistant Secretary (Enforcement).

[FR Doc. 96-27285 Filed 10-21-96; 11:00 am]

BILLING CODE 4810-25-W

## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Part 52

[CA 083-0015a; FRL-5633-8]

#### Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, Ventura County Air Pollution Control District and South Coast Air Quality Management District

AGENCY: Environmental Protection Agency (EPA).

**ACTION:** Direct final rule.

**SUMMARY:** EPA is taking direct final action on revisions to the California State Implementation Plan (SIP). The revisions concern rules from the following Districts: Ventura County Air Pollution Control District (VCAPCD) and South Coast Air Quality Management District (SCAQMD). This approval action will incorporate these rules into the federally approved SIP. The intended effect of approving these rules is to regulate emissions of volatile organic compounds (VOCs) in accordance with the requirements of the Clean Air Act, as amended in 1990 (CAA or the Act). The revised rules control VOC emissions from the storage and transfer of gasoline and organic liquid storage. Thus, EPA is finalizing the approval of these revisions into the California SIP under provisions of the CAA regarding EPA action on SIP submittals, SIPs for national primary and secondary ambient air quality standards and plan requirements for nonattainment areas.

**DATES:** This action is effective on December 23, 1996 unless adverse or critical comments are received by November 22, 1996. If the effective date is delayed, a timely notice will be published in the Federal Register.

**ADDRESSES:** Copies of the rule revisions and EPA's evaluation report for each rule are available for public inspection at EPA's Region IX office during normal business hours. Copies of the submitted rule revisions are available for inspection at the following locations:

Rulemaking Section (A-5-3), Air and Toxics Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105

Environmental Protection Agency, Air Docket (6102), 401 "M" Street, SW., Washington, DC 20460

California Air Resources Board, Stationary Source Division, Rule Evaluation Section, 2020 "L" Street, Sacramento, CA 92123-1095

South Coast Air Quality Management District, 21865 E. Copley Drive, Diamond Bar, CA 91765-4182

Ventura County Air Pollution Control District, 669 County Square Drive, Second Floor, Ventura, CA 93003

**FOR FURTHER INFORMATION CONTACT:** Christine Vineyard, Rulemaking Section (A-5-3), Air and Toxics Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105, Telephone: (415) 744-1197.

## SUPPLEMENTARY INFORMATION:

### Applicability

The rules being approved into the California SIP include: SCAQMD Rule 463, Organic Liquid Storage and VCAPCD Rule 70, Storage and Transfer of Gasoline. These rules were submitted by the California Air Resources Board (CARB) to EPA on May 24, 1994 and August 10, 1995, respectively.

### Background

On March 3, 1978, EPA promulgated a list of ozone nonattainment areas under the provisions of the Clean Air Act, as amended in 1977 (1977 Act or pre-amended Act), that included the Los Angeles-South Coast Air Basin (LA Basin) and the Ventura County Area. 43 FR 8964, 40 CFR 81.305. On May 26, 1988, EPA notified the Governor of California, pursuant to section 110(a)(2)(H) of the 1977 Act, that the above districts' portions of the California SIP were inadequate to attain and maintain the ozone standard and requested that deficiencies in the existing SIP be corrected (EPA's SIP-Call). On November 15, 1990, the Clean Air Act Amendments of 1990 were enacted. Pub. L. 101-549, 104 Stat. 2399, codified at 42 U.S.C. 7401-7671q. In amended section 182(a)(2)(A) of the CAA, Congress statutorily adopted the requirement that nonattainment areas fix their deficient reasonably available control technology (RACT) rules for ozone and established a deadline of May 15, 1991 for states to submit corrections of those deficiencies.

Section 182(a)(2)(A) applies to areas designated as nonattainment prior to enactment of the amendments and classified as marginal or above as of the date of enactment. It requires such areas to adopt and correct RACT rules pursuant to pre-amended section 172(b) as interpreted in pre-amendment guidance.<sup>1</sup> EPA's SIP-Call used that guidance to indicate the necessary corrections for specific nonattainment areas. The LA Basin is classified as extreme and the Ventura County Area is classified as severe<sup>2</sup>; therefore, these

<sup>1</sup> Among other things, the pre-amendment guidance consists of those portions of the proposed post-1987 ozone and carbon monoxide policy that concern RACT, 52 FR 45044 (November 24, 1987); "Issues Relating to VOC Regulation Cutpoints, Deficiencies, and Deviations, Clarification to Appendix D of November 24, 1987 Federal Register Notice" (Blue Book) (notice of availability was published in the Federal Register on May 25, 1988); and the existing control technique guidelines (CTGs).

<sup>2</sup> The LA Basin and Ventura County Area have retained their designation of nonattainment and were classified by operation of law pursuant to sections 107(d) and 181(a) upon the date of

Continued