

institution's financial statements shall be included as an exhibit, indicating whether or not the change is to an alternative principle which in their judgment is preferable under the circumstances, except that no such statement need be filed when the change is made in response to a standard adopted by the Financial Accounting Standards Board which requires such change.

* * * * *

Subpart D—Notice to Shareholders

8. Revise § 620.15 to read as follows:

§ 620.15 Notice.

(a) Each Farm Credit bank and direct lender association shall prepare and provide the Farm Credit Administration and shareholders a notice, within 30 days following the month end that the institution initially determines that it is not in compliance with the minimum permanent capital standard prescribed under § 615.5205 of this chapter.

(b) An institution that has given notice to shareholders pursuant to paragraph (a) of this section or subsequent notice pursuant to this paragraph shall also prepare and provide the Farm Credit Administration and shareholders a notice within 45 days following the end of any subsequent quarter at which the institution's permanent capital ratio decreases by one-half of 1 percent or more from the level reported in the most recent notice provided to shareholders.

(c) Each institution required to prepare a notice under paragraphs (a) or (b) of this section shall provide the notice to shareholders or publish it in any publication with circulation wide enough to be reasonably assured that all of the institution's shareholders have access to the information in a timely manner.

§ 620.17 [Amended]

9. Amend § 620.17 by removing the words "distribute" and adding in its place, the word "provide" in paragraph (b)(4).

Subpart E—Association Annual Meeting Information Statement

§ 620.20 [Amended]

10. Amend § 620.20 as follows:

a. Remove the word "distributing" and add in its place, the word "providing" in the heading; and

b. Remove the word "distribute" and add in its place, the word "provide" in paragraph (a).

11. Amend § 620.21 as follows:

a. Remove the words "furnished a letter" and add in their place, the words "provided a notice" in the first sentence of paragraph (c)(3);

b. Remove the words "contained in the letter" at the end of the first sentence in paragraph (c)(3);

c. Add the words "paper mail or electronic" before the word "mail" in each place it appears in paragraphs (d)(3)(i)(A), (d)(3)(i)(B), (d)(3)(ii)(A), and (d)(3)(ii)(B);

d. Revise paragraph (d)(5) to read as follows:

§ 620.21 Contents of the information statement and other information to be furnished in connection with the annual meeting.

* * * * *

(d) * * *

(5) For each nominee who is not an incumbent director, except a nominee from the floor, provide the information referred to in § 620.5(j) and (k) and paragraph (d)(4) of this section. If shareholders will vote by paper mail or electronic mail ballot upon conclusion of all sessions, each floor nominee must provide the information referred to in § 620.5(j) and (k) and paragraph (d)(4) of this section in paper or electronic form to the association within the time period prescribed by the association's bylaws. If the association's bylaws do not prescribe a time period, state that each floor nominee must provide the disclosure to the association within 5 business days of the nomination. The association shall ensure that the information is provided to the voting shareholders by delivering the ballots for the election of directors in the same format as the comparable information contained in the association's annual meeting information statement. If shareholders will not vote by paper mail or electronic mail ballot upon conclusion of all sessions, each floor nominee must provide the information referred to in § 620.5(j) and (k) and paragraph (d)(4) of this section in paper or electronic form at the first session at which voting is held.

* * * * *

§ 620.30 [Amended]

12. Amend § 620.30 by removing the words "distribute or mail" and adding in their place, the word "provide" in the second sentence.

Subpart G—Annual Report of Condition of the Federal Agricultural Mortgage Corporation

13. Amend § 620.40 as follows:

a. Revise the heading and remove the words "distribution of" and add in their

place, the words "providing of the" in the heading;

b. Remove the word "distribute" and add in its place, the word "provide" in paragraph (b);

c. Remove the words "mail or otherwise furnish to the requestor a copy of" and add in their place, the words "provide the requester" in paragraph (c); and

d. Revise paragraph (d):

§ 620.40 Content, timing, and providing of the Federal Agricultural Mortgage Corporation annual report of condition.

* * * * *

(d) The Corporation shall provide copies of the annual report of condition to the Farm Credit Administration's Office of Secondary Market Oversight within 120 days of its fiscal year-end. If providing paper copies, send three copies to Office of Secondary Market Oversight, Farm Credit Administration, 1501 Farm Credit Drive, McLean, VA 22102-5090. If providing electronic copies, send according to our instructions to you.

Dated: April 1, 2002.

Kelly Mikel Williams,

Secretary, Farm Credit Administration Board.

[FR Doc. 02-8212 Filed 4-5-02; 8:45 am]

BILLING CODE 6705-01-P

DEPARTMENT OF THE TREASURY

Customs Service

19 CFR PART 191

[T.D. 02-16]

RIN 1515-AD00

Drawback; Conforming Amendments

AGENCY: U.S. Customs Service, Department of the Treasury.

ACTION: Final rule.

SUMMARY: This document amends the Customs Regulations relating to drawback in order to conform with changes that were made to the drawback law by the Miscellaneous Trade and Technical Corrections Act of 1999. The amendments concern drawback on packaging material and drawback in connection with the substitution of finished petroleum derivatives.

Also, a minor clarification is made to the general manufacturing drawback rulings for piece goods and woven piece goods that appear in an appendix to the Customs drawback regulations in order to conform these general rulings with the regulations.

EFFECTIVE DATE: April 8, 2002.

FOR FURTHER INFORMATION CONTACT:

William G. Rosoff, Duty and Refund Determination Branch, (202-927-2077).

SUPPLEMENTARY INFORMATION:

Background

Drawback is a refund or remission, in whole or in part, of a Customs duty, internal revenue tax, or fee. There are a number of different kinds of drawback authorized under law. The statute providing for specific types of drawback is 19 U.S.C. 1313. Some specific types include drawback on manufactured articles, and on rejected or unused merchandise (19 U.S.C. 1313(a), (b), (c), or (j)), as well as drawback on packaging materials (19 U.S.C. 1313(q)), and in connection with the substitution of certain finished petroleum derivatives (19 U.S.C. 1313(p)). The implementing regulations for drawback are contained in part 191 of the Customs Regulations (19 CFR part 191).

The Miscellaneous Trade and Technical Corrections Act of 1999, Public Law 106-36, 113 Stat. 127 (June 25, 1999) (the MTTCA), amended a number of Customs laws, including two provisions of the drawback law. In this latter regard, section 2404 of the MTTCA amended the drawback provision dealing with packaging materials, 19 U.S.C. 1313(q). Also, sections 2419 and 2420 of the MTTCA amended the drawback provision dealing with the substitution of certain finished petroleum derivatives, 19 U.S.C. 1313(p).

Packaging Material; Prior Law

Under 19 U.S.C. 1313(q), drawback was previously payable on packaging material only when the packaging material was imported material that was used to package or repackage merchandise or articles that were exported or destroyed under Customs supervision and that were eligible for drawback under either the manufacturing, rejected or unused merchandise drawback provisions (19 U.S.C. 1313(a), (b), (c), or (j)). Drawback was payable on the imported packaging material under the particular drawback provision to which the packaged goods themselves were subject, either section 1313(a), (b), (c), or (j). The drawback was 99% of the duty that was paid on the imported packaging material.

Section 191.13, Customs Regulations (19 CFR 191.13), implemented the provision for drawback on packaging material under 19 U.S.C. 1313(q).

Packaging Material; Amended Law

As amended by section 2404 of the MTTCA, 19 U.S.C. 1313(q) is redesignated as 19 U.S.C. 1313(q)(1), and a new section 1313(q)(2) is added

to provide for drawback as well on packaging material that is manufactured or produced in the United States and used to package or repackage articles that are exported or destroyed under the manufacturing drawback law, 19 U.S.C. 1313(a) or (b). Drawback is payable on the packaging material pursuant to the particular manufacturing drawback provision to which the packaged articles themselves are subject, either section 1313(a) or (b). The drawback is 99% of the duty paid on the imported material that was used in the manufacture or production of the packaging material.

Accordingly, § 191.13 is amended in conformance with the enhanced eligibility of packaging material for drawback under 19 U.S.C. 1313(q), as amended by section 2404 of the MTTCA.

Substitution of Finished Petroleum Derivatives; Prior Law

Under 19 U.S.C. 1313(p), which concerns the substitution of certain finished petroleum derivatives, drawback was payable upon the timely exportation of an article which was of the same kind and quality as a qualified article. A qualified article was either an imported, duty-paid article, or a manufactured article that would be eligible for drawback under 19 U.S.C. 1313(a) or (b), should the qualified article itself be exported. Moreover, the qualified article had to be described in headings 2707, 2708, 2710-2715, 2901, and 2902, or in headings 3901-3914 of the Harmonized Tariff Schedule of the United States (HTSUS). However, in the case of headings 3901 through 3914, the qualified articles were limited to liquids, pastes, powders, granules and flakes.

Also, for drawback to have accrued under section 1313(p), the exporter must have imported the qualified article or have manufactured it under section 1313(a) or (b); or have purchased or exchanged the qualified article, either directly or indirectly, from an importer, or from a refinery or facility which produced the article under section 1313(a) or (b). In any event, the qualified article must have been manufactured, imported, or acquired by the exporter in the aforementioned manner, in a quantity at least as great as the quantity of the exported article.

To be of the same kind and quality as the qualified article (solely for the purpose of section 1313(p)), the exported article had to fall within the same 8-digit HTSUS tariff classification as, or be commercially interchangeable with, the qualified article.

Furthermore, the manufacturer, producer, importer, exporter, and

drawback claimant were all required to maintain their appropriate records as required by regulation in order for a right to drawback to arise under 19 U.S.C. 1313(p). If a right did arise, the claimant for drawback under section 1313(p) had to be the exporter of the exported article, or the refiner, producer, or importer of that article.

The drawback payable under section 1313(p) was 99% of the duty attributable to the qualified article when the qualified article was a manufactured article that would be eligible for drawback under 19 U.S.C. 1313(a) or (b), and 100% of the duty attributable to the qualified article when the qualified article was an imported, duty-paid article.

Subpart Q of the Customs Regulations (19 CFR subpart Q), consisting of §§ 191.171-191.176 (19 CFR 191.171-191.176), implemented the provisions providing for drawback in connection with the substitution of finished petroleum derivatives under 19 U.S.C. 1313(p).

Substitution of Finished Petroleum Derivatives; Amended Law

Sections 2419 and 2420 of the MTTCA have made a number of amendments to 19 U.S.C. 1313(p).

Section 2419 of the MTTCA revises the list of qualified articles which may serve as a basis for drawback under section 1313(p) by adding to this list articles that are described in HTSUS subheading 2909.19.14. This subheading covers methyl tertiary-butyl ether (MTBE), a fuel additive used in gasoline. The inclusion of MTBE in the list of articles eligible for drawback under § 191.172 of the Customs Regulations is intended to carry out the statutory requirement in the MTTCA.

Section 2420 of the MTTCA amends 19 U.S.C. 1313(p) primarily by allowing a party to transfer to the exporter or to an intermediate party another article in place of the qualified article provided that the transferred article is of the same kind and quality as the qualified article. As indicated above, under the prior law, the exporter, if not also the importer or refiner of the qualified article, must in fact have received the qualified article from the importer, refiner or an intermediate transferor, following which the exporter could then timely export a substituted article of the same kind and quality as the qualified article.

However, because the chain of commerce involved in petroleum transactions may frequently include a number of different commercial entities, such as importers, refiners, and various intermediaries, who store their products in common tanks and ship them

through pipelines carrying other petroleum products, it becomes impracticable or impossible under these circumstances for drawback claimants to trace and account for the specific products that are received and delivered from one entity to another. This situation unduly restricts the flexibility of claimants and associated parties in petroleum transactions.

Accordingly, as already noted, section 2420 of the MTTCA amends 19 U.S.C. 1313(p) by allowing an importer, refiner or producer of a qualified article to transfer to the exporter or to an intermediate party, in place of the qualified article, an article of the same kind and quality as the qualified article. Also, any intermediate party in the chain of commerce leading from the importer, refiner or producer to the exporter may transfer to the exporter or to another intermediate party an article of the same kind and quality as the article that it purchased or exchanged from the prior transferring party (*i.e.*, the refiner, producer, importer, or another intermediate transferor). Each transferred article, regardless of its origin (whether imported, manufactured, substituted, or any combination thereof) would then become the qualified article eligible for drawback for purposes of section 1313(p).

Under the foregoing circumstances, however, the importer, refiner, producer, or any intermediate transferor must certify on a certificate of delivery documenting the transfer (or on a certificate of manufacture and delivery, in the case of the manufacturer or producer of a qualified article under section 1313(a) or (b)) that it has not, and will not, designate on any such certificates issued a quantity greater than the amount of the article eligible for drawback. Each transferor must also agree to maintain appropriate records to establish this fact.

In addition, section 2420 amends 19 U.S.C. 1313(p) as follows: (1) Where drawback on an exported article is based on a qualified article that is imported, duty-paid, drawback is limited to that attributable to the qualified article under the unused merchandise drawback law, 19 U.S.C. 1313(j) (*i.e.*, 99%, as opposed to 100%, of the duty paid on the article); (2) the list of potential drawback claimants is broadened to include the refiner, producer or importer of the qualified article, in addition to the exporter, refiner, producer or importer of the exported article; and (3) the qualified articles defined by HTSUS subheadings 3901 through 3914 are expanded to include the articles in their primary

forms as provided in Note 6 to chapter 39 of the HTSUS (*i.e.*, in addition to liquids, pastes, powders, granules, and flakes, this includes dispersions (emulsions and suspensions) and solutions, as well as blocks of irregular shape, lumps and similar bulk forms of the articles).

Subpart Q, Customs Regulations (§§ 191.171 through 191.176) is amended as necessary to implement the foregoing statutory changes to 19 U.S.C. 1313(p) enacted under sections 2419 and 2420 of the MTTCA.

Appendix A to Part 191; General Manufacturing Drawback Rulings for Piece Goods and Woven Piece Goods

In Appendix A to part 191, the general manufacturing drawback rulings for piece goods and woven piece goods, numbered "X." and "XIV.", respectively, state under paragraph "G." concerning "Shrinkage, Gain, and Spoilage" that unless the claim for drawback is based on the quantity of merchandise appearing in the exported articles, the records of the manufacturer or producer must show the yardage lost by shrinkage or gained by stretching during manufacture, and the quantity of remnants resulting and of spoilage incurred, if any. Hence, as indicated under paragraph "G." in each of these general rulings, the described records do not need to be kept if the claim for drawback on the exported articles is to be determined on the "appearing in" basis.

It is noted that under § 191.23(b), Customs Regulations (19 CFR 191.23(b)), drawback is allowable on the "appearing in" method based only on the amount of imported or substituted merchandise that appears in (or is contained in) the exported articles. In this context, however, § 191.23(e)(2) requires that waste records (which would include records of shrinkage, gain and spoilage incurred in the processing of piece goods) must be kept under the "appearing in" basis if such records are required to establish the quantity of drawback-eligible merchandise or product that appears in the articles that are claimed for drawback.

Moreover, in the final rule document amending the drawback regulations that was published in the **Federal Register** (63 FR 10970) on March 5, 1998, as T.D. 98-16, the issue was raised as to what records under the "appearing in" basis were needed for waste and for shrinkage, gain, and spoilage in relation to general manufacturing drawback ruling "X." concerning piece goods manufactured under 19 U.S.C. 1313(b). Specifically, it was stated that

paragraphs "F." as well as "G." in this general ruling pertaining, respectively, to "Waste" and "Shrinkage, Gain, and Spoilage" seemed to be in conflict with the regulatory requirements for claiming drawback on the "appearing in" method. Customs, in response to this issue, agreed that both paragraphs "F." and "G." in the general ruling would be revised consistent with the regulatory provision (§ 191.23(e)(2)) that records for waste and for shrinkage, gain, and spoilage would need to be kept if they were necessary to establish the quantity of merchandise (eligible piece goods) that appeared in the exported articles (63 FR at 10998). However, T.D. 98-16 did not in fact make the corresponding changes to the actual text of this general ruling in appendix A to part 191.

Accordingly, paragraphs "F." and "G." of general manufacturing drawback ruling "X." dealing with "Waste" and "Shrinkage, Gain, and Spoilage", respectively, for piece goods manufactured under 19 U.S.C. 1313(b) will now be revised consistent with § 191.23(e)(2). Also, inasmuch as the same principle applies to general manufacturing drawback ruling "XIV." for woven piece goods manufactured under 19 U.S.C. 1313(a), as discussed above, paragraphs "F." and "G." of this general ruling will be revised as well.

Executive Order 12866 and Inapplicability of Public Notice and Comment and Delayed Effective Date Requirements and the Regulatory Flexibility Act

Because the amendments to the drawback regulations in this final rule are intended merely to conform with statutory law, notice and public procedure are inapplicable and unnecessary pursuant to 5 U.S.C. 553(b)(B), and, pursuant to 5 U.S.C. 553(d)(3), a delayed effective date is not required. Because this document is not subject to the requirements of 5 U.S.C. 553, as noted, it is not subject to the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). Nor do the amendments result in a "significant regulatory action" under E.O. 12866.

Paperwork Reduction Act

The collection of information involved in this final rule has previously been reviewed and approved by the Office of Management and Budget (OMB) in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507) and assigned OMB Control Number 1515-0213. This rule does not substantively change the existing approved information collection.

An agency may not conduct or sponsor, and a person is not required to

respond to, a collection of information unless the collection of information displays a valid control number assigned by OMB.

List of Subjects in 19 CFR Part 191

Claims, Commerce, Customs duties and inspection, Drawback, Exports, Reporting and recordkeeping requirements.

Amendments to the Regulations

Part 191, Customs Regulations (19 CFR part 191), is amended as set forth below.

PART 191—DRAWBACK

1. The general authority citation for part 191 continues to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 66, 1202 (General Note 22, Harmonized Tariff Schedule of the United States), 1313, 1624.

* * * * *

2. Section 191.13 is amended by designating its existing text as paragraph (a), adding a heading to newly designated paragraph (a), and revising its first sentence, and by adding a new paragraph (b), to read as follows:

§ 191.13 Packaging materials.

(a) *Imported packaging material.* Drawback of duties is provided in § 313(q)(1) of the Act, as amended (19 U.S.C. 1313(q)(1)), on imported packaging material when used to package or repackage merchandise or articles exported or destroyed pursuant to § 313(a), (b), (c), or (j) of the Act, as amended (19 U.S.C. 1313(a), (b), (c), or (j)). * * *

(b) *Packaging material manufactured in United States from imported materials.* Drawback of duties is provided in § 313(q)(2) of the Act, as amended (19 U.S.C. 1313(q)(2)), on packaging material that is manufactured or produced in the United States from imported materials and used to package or repackage articles that are exported or destroyed under § 313(a) or (b) of the Act, as amended (19 U.S.C. 1313(a) or (b)). Drawback is payable on the packaging material under the particular manufacturing drawback provision to which the packaged articles themselves are subject, either 19 U.S.C. 1313(a) or (b), as applicable. The drawback will be based on the duty, tax, or fee that is paid on the imported merchandise used to manufacture or produce the packaging material. The packaging material and the imported merchandise used in its manufacture or production must be separately identified on the claim, and all other information and documents required for the particular drawback provision under which the claim is

made must be provided for the packaging material as well as the imported merchandise used in its manufacture or production, for purposes of determining the applicable drawback payable.

3. Section 191.171 is amended by revising paragraph (a) to read as follows:

§ 191.171 General; drawback allowance.

(a) *General.* Section 313(p) of the Act, as amended (19 U.S.C. 1313(p)), provides for drawback on the basis of qualified articles which consist of either petroleum derivatives that are imported, duty-paid, and qualified for drawback under the unused merchandise drawback law (19 U.S.C. 1313(j)(1)), or petroleum derivatives that are manufactured or produced in the United States, and qualified for drawback under the manufacturing drawback law (19 U.S.C. 1313(a) or (b)).

* * * * *

4. Section 191.172 is amended by revising paragraph (a) to read as follows:

§ 191.172 Definitions.

* * * * *

(a) *Qualified article.* “Qualified article” means an article described in headings 2707, 2708, 2710 through 2715, 2901, 2902, 2909.19.14, or 3901 through 3914 of the Harmonized Tariff Schedule of the United States (HTSUS). In the case of an article described in headings 3901 through 3914, the definition covers the article in its primary forms as provided in Note 6 to chapter 39 of the HTSUS.

* * * * *

5. Section 191.173 is amended by revising paragraph (e) to read as follows:

§ 191.173 Imported duty-paid derivatives (no manufacture).

* * * * *

(e) *Amount of drawback.* The amount of drawback payable may not exceed the amount of drawback which would be attributable to the imported qualified article under 19 U.S.C. 1313(j)(1) which serves as the basis for drawback.

6. Section 191.175 is amended by revising the first sentence of paragraph (a); by redesignating the existing text of paragraph (b) as paragraph (b)(1), and adding a heading to newly redesignated paragraph (b)(1); by adding a new paragraph (b)(2); and by revising paragraph (c), to read as follows:

§ 191.175 Drawback claimant; maintenance of records.

(a) *Drawback claimant.* A drawback claimant under 19 U.S.C. 1313(p) must be the exporter of the exported article, or the refiner, producer, or importer of

either the qualified article or the exported article. * * *

(b) *Certificate of manufacture and delivery or delivery.* (1) *General.* * * *

(2) *Article substituted for the qualified article.* (i) Subject to paragraph (b)(2)(iii) of this section, the manufacturer, producer, or importer of a qualified article may transfer to the exporter an article of the same kind and quality as the qualified article, as so certified, respectively, in a certificate of manufacture and delivery or a certificate of delivery, in a quantity not greater than the quantity of the qualified article.

(ii) Subject to paragraph (b)(2)(iii) of this section, any intermediate party in the chain of commerce leading to the exporter from the manufacturer, producer, or importer of a qualified article may also transfer to the exporter or to another intermediate party an article of the same kind and quality as the article purchased or exchanged from the prior transferor (whether the manufacturer, producer, importer, or another intermediate transferor), as so certified in a certificate of delivery, in a quantity not greater than the quantity of the article purchased or exchanged.

(iii) Under either paragraph (b)(2)(i) or (b)(2)(ii) of this section, the article transferred, regardless of its origin (imported, manufactured, substituted, or any combination thereof), so designated on a certificate of delivery or, in the case of the manufacturer or producer of a qualified article under 19 U.S.C. 1313(a) or (b), on a certificate of manufacture and delivery, will be the qualified article eligible for drawback for purposes of section 1313(p), provided that the following conditions are met:

(A) The party who issues the applicable certificate for the transferred article must expressly state on the certificate that the certificate is prepared pursuant to 19 U.S.C. 1313(p) (the article may not be designated for any other drawback purposes);

(B) The party must certify to the Commissioner of Customs on the certificate or an attachment that it has not, and will not, designate on that certificate and on any other such certificates issued a quantity of the article greater than the amount eligible for drawback; and

(C) The party must certify to the Commissioner of Customs on the applicable certificate or on an attachment that it will maintain appropriate records which establish that it has not designated on any such certificates issued a greater quantity than the amount eligible for drawback.

(c) *Maintenance of records.* The manufacturer, producer, importer, transferor, exporter and drawback

claimant of the qualified article and the exported article must all maintain their appropriate records required by this part.

7. In appendix A to part 191, general manufacturing drawback rulings “X.” and “XIV.”, respectively, are amended by adding a sentence after the third sentence of paragraph “F.”, and by adding a sentence at the end of paragraph “G.”, to read as follows:

Appendix to Part 191—General Manufacturing Drawback Rulings

* * * * *

X. General Manufacturing Drawback Ruling Under 19 U.S.C. 1313(b) for Piece Goods (T.D. 83–73)

* * * * *

F. Waste

* * * If necessary to establish the quantity of merchandise (eligible piece goods) appearing in the exported articles, such waste records will also be kept. * * *

G. Shrinkage, Gain, and Spoilage

* * * If necessary to establish the quantity of merchandise (eligible piece goods) appearing in the exported articles, such records for shrinkage, gain and spoilage will also be kept.

* * * * *

XIV. General Manufacturing Drawback Ruling Under 19 U.S.C. 1313(a) for Woven Piece Goods (T.D. 83–84)

* * * * *

F. Waste

* * * If necessary to establish the quantity of merchandise (eligible piece goods) appearing in the exported articles, such waste records will also be kept. * * *

G. Shrinkage, Gain, and Spoilage

* * * If necessary to establish the quantity of merchandise (eligible piece goods) appearing in the exported articles, such

records for shrinkage, gain, and spoilage will also be kept.

* * * * *

Robert C. Bonner,

Commissioner of Customs.

Approved: April 1, 2002.

Timothy E. Skud,

Acting Deputy Assistant Secretary of the Treasury.

[FR Doc. 02–8217 Filed 4–5–02; 8:45 am]

BILLING CODE 4820–02–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[CA 251–0326a; FRL–7160–8]

Revisions to the California State Implementation Plan, Monterey Bay Unified Air Pollution Control District

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: EPA is taking direct final action to approve a revision to the Monterey Bay Unified Air Pollution Control District (MBUAPCD) portion of the California State Implementation Plan (SIP). This revision concerns oxides of nitrogen (NO_x) emissions from electric power boilers. We are approving the local rule that regulates these emission sources under the Clean Air Act as amended in 1990 (CAA or the Act).

DATES: This rule is effective on June 7, 2002, without further notice, unless EPA receives adverse comments by May 8, 2002. If we receive such comment, we will publish a timely withdrawal in the **Federal Register** to notify the public that this rule will not take effect.

ADDRESSES: Mail comments to Andy Steckel, Rulemaking Office Chief (AIR–4), U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105–3901.

You can inspect copies of the submitted SIP revisions and EPA’s technical support document (TSD) at our Region IX office during normal business hours. You may also see copies of the submitted SIP revisions at the following locations:

California Air Resources Board, Stationary Source Division, Rule Evaluation Section, 1001 “I” Street, Sacramento, CA 95812.

Monterey Bay Unified Air Pollution Control District, 24580 Silver Cloud Court, Monterey, CA 93940.

FOR FURTHER INFORMATION CONTACT: Charnjit Bhullar, Rulemaking Office (AIR–4), U.S. Environmental Protection Agency, Region IX, (415) 972–3960.

SUPPLEMENTARY INFORMATION: Throughout this document, “we,” “us” and “our” refer to EPA.

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I. The State’s Submittal

A. What Rule Did the State Submit?

Table 1 lists the rule we are approving with the dates that it was adopted by the local air agency and submitted by the California Air Resources Board (CARB).

TABLE 1.—SUBMITTED RULE

Local agency	Rule #	Rule title	Adopted	Submitted
MBUAPCD	431	Emissions from Electric Power Boilers	10/17/01	11/07/01

On February 22, 2002, this rule submittal was found to meet the completeness criteria in 40 CFR Part 51 Appendix V, which must be met before formal EPA review.

B. Are There Other Versions of This Rule?

MBUAPCD adopted a version of this rule on December 17, 1997, which EPA approved into the SIP on December 13, 1998. MBUAPCD adopted revisions to this rule on October 17, 2001, which

were submitted to EPA for SIP approval on November 7, 2001.

C. What Is the Purpose of the Submitted Rule?

MBUAPCD Rule 431 provides limitations on emissions of nitrogen oxides (NO_x) and carbon monoxide (CO) during the combustion of natural gas or fuel oil by boilers providing steam for electric power generation. This revision is designed primarily to allow additional time for compliance

with the 10 ppm NO_x limit on Unit 7–1 at the Moss Landing Power Plant, for a period of seven months. The TSD has more information about this rule.

II. EPA’s Evaluation and Action

A. How Is EPA Evaluating This Rule?

Generally, SIP rules must be enforceable (see section 110(a) of the Act), must require Reasonably Available Control Technology (RACT) for major sources in nonattainment areas (see