

Alabama Share = $(I_{AL} \div (I_{AL} + I_{LA} + I_{MS} + I_{TX})) \times \text{Qualified OCS Revenues}$
 Louisiana Share = $(I_{LA} \div (I_{AL} + I_{LA} + I_{MS} + I_{TX})) \times \text{Qualified OCS Revenues}$
 Mississippi Share = $(I_{MS} \div (I_{AL} + I_{LA} + I_{MS} + I_{TX})) \times \text{Qualified OCS Revenues}$
 Texas Share = $(I_{TX} \div (I_{AL} + I_{LA} + I_{MS} + I_{TX})) \times \text{Qualified OCS Revenues}$

(3) If in any fiscal year, this calculation results in less than a 10 percent allocation of the qualified OCS revenues to any Gulf producing State, we will recalculate the distribution. We will allocate 10 percent of the qualified OCS revenues to the State and recalculate the other States' shares of the remaining qualified OCS revenues omitting the State receiving the 10 percent minimum share and its 10 percent share from the calculation.

§ 219.415 How will bonus and royalty credits affect revenues allocated to Gulf producing States?

If bonus and royalty credits issued under Section 104(c) of the Gulf of Mexico Energy Security Act are used to pay bonuses or royalties on leases in the 181 Area located in the Eastern Planning Area and the 181 South Area, then there will be a corresponding reduction in qualified OCS revenues available for distribution.

§ 219.416 How will the qualified OCS revenues be allocated to coastal political subdivisions within the Gulf producing States?

The MMS will disburse funds to the coastal political subdivisions in accordance with the following criteria:

(a) Twenty-five percent of the qualified OCS revenues will be allocated to a Gulf producing State's coastal political subdivisions in the proportion that each coastal political subdivision's population bears to the population of all coastal political subdivisions in the producing State;

(b) Twenty-five percent of the qualified OCS revenues will be allocated to a Gulf producing State's coastal political subdivisions in the proportion that each coastal political subdivision's miles of coastline bears to the number of miles of coastline of all coastal political subdivisions in the producing State. Except that, for the State of Louisiana, proxy coastline lengths for coastal political subdivisions without a coastline will be considered to be $\frac{1}{3}$ the average length of the coastline of all political subdivisions within Louisiana having a coastline.

(c) Fifty percent of the revenues will be allocated to a Gulf producing State's coastal political subdivisions in amounts that are inversely proportional to the respective distances between the

geographic center of each applicable leased tract and the point in each coastal political subdivision that is closest to the geographic center of each applicable leased tract. Except that, an applicable leased tract will be excluded from this calculation if any portion of the tract is located in a geographic area that was subject to a leasing moratorium on January 1, 2005, unless that tract was in production on that date.

§ 219.417 How will MMS disburse qualified OCS revenues to the coastal political subdivisions if, during any fiscal year, there are no applicable leased tracts in the 181 Area in the Eastern Gulf of Mexico Planning Area?

If, during any fiscal year, there are no applicable leased tracts in the 181 Area in the Eastern Gulf of Mexico Planning Area, MMS will disburse funds to the coastal political subdivisions in accordance with the following criteria:

(a) Fifty percent of the revenues will be allocated to a Gulf producing State's coastal political subdivisions in the proportion that each coastal political subdivision's population bears to the population of all coastal political subdivisions in the State; and

(b) Fifty percent of the revenues will be allocated to a Gulf producing State's coastal political subdivisions in the proportion that each coastal political subdivision's miles of coastline bears to the number of miles of coastline of all coastal political subdivisions in the State. Except that, for the State of Louisiana, proxy coastline lengths for coastal political subdivisions without a coastline will be considered to be $\frac{1}{3}$ the average length of the coastline of all political subdivisions within Louisiana having a coastline.

§ 219.418 When will funds be disbursed to Gulf producing States and eligible coastal political subdivisions?

(a) The MMS will disburse allocated funds in the fiscal year after MMS collects the qualified OCS revenues. For example, MMS will disburse funds in fiscal year 2010 from the qualified OCS revenues collected during fiscal year 2009.

(b) We intend to disburse funds on or before March 31st of the year following the fiscal year of qualified OCS revenues.

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DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

31 CFR Parts 594, 595 and 597

Global Terrorism Sanctions Regulations; Terrorism Sanctions Regulations; Foreign Terrorist Organizations Sanctions Regulations

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Final rule.

SUMMARY: The Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC") is amending the Global Terrorism Sanctions Regulations and the Terrorism Sanctions Regulations to expand the scope of authorizations in each of those programs for the provision of certain legal services. Similarly, OFAC is amending the Foreign Terrorist Organizations Sanctions Regulations to expand the scope of a statement of licensing policy concerning payment for certain legal services.

DATES: *Effective Date:* December 23, 2008.

FOR FURTHER INFORMATION CONTACT: Assistant Director for Licensing, tel.: 202-622-2480, Assistant Director for Policy, tel.: 202-622-4855, Office of Foreign Assets Control, or Chief Counsel (Foreign Assets Control), tel.: 202-622-2410, Office of the General Counsel, Department of the Treasury, Washington, DC 20220 (not toll free numbers).

SUPPLEMENTARY INFORMATION:

Electronic and Facsimile Availability

This document and additional information concerning the Office of Foreign Assets Control ("OFAC") are available from OFAC's Web site (<http://www.treas.gov/ofac>) or via facsimile through a 24-hour fax-on demand service, tel.: 202-622-0077.

Background

OFAC administers three sanctions programs with respect to terrorists and terrorist organizations. The Terrorism Sanctions Regulations, 31 CFR part 595 ("TSR"), implement Executive Order 12947 of January 23, 1995, in which the President declared a national emergency with respect to "grave acts of violence committed by foreign terrorists that disrupt the Middle East peace process * * *." The Global Terrorism Sanctions Regulations, 31 CFR part 594 ("GTSR"), implement Executive Order 13224 of September 23, 2001, in which the President declared an emergency

more generally with respect to “grave acts of terrorism and threats of terrorism committed by foreign terrorists * * *.” The Foreign Terrorist Organizations Sanctions Regulations, 31 CFR part 597 (“FTOSR”), implement provisions of the Antiterrorism and Effective Death Penalty Act of 1996.

OFAC is revising sections in the GTSR and the TSR that authorize the provision of specified legal services. Section 594.506 of the GTSR and § 595.506 of the TSR authorize U.S. persons to provide certain specified legal services to or on behalf of persons whose assets are blocked under those regulations, provided that any payment of professional fees and reimbursement of incurred expenses must be specifically licensed. OFAC is expanding the scope of these general licenses by adding to the specified legal services the representation of persons detained within the jurisdiction of the United States or by the U.S. government with respect to either such detention or any charges made against such persons. The general licenses also authorize the initiation and conduct of proceedings. OFAC has long had in place general licenses that authorize the provision of specified legal services on behalf of blocked persons and payment for those services when specifically licensed. OFAC is expanding these categories to cover this additional factual situation in the GTSR and the TSR, as well as related changes in the FTOSR discussed below. OFAC also is making non-substantive revisions to § 595.506 of the TSR in order to conform it to parallel § 594.506 of the GTSR. As a result, OFAC is reissuing § 595.506 in its entirety.

In addition, OFAC is amending § 597.505 of the FTOSR, which states that specific licenses may be issued, on a case-by-case basis, authorizing payment of professional fees and reimbursement of incurred expenses through a U.S. financial institution for certain specified legal services by U.S. persons. OFAC is amending this statement of licensing policy to add to the list of services for which payment may be specifically licensed the representation of agents of foreign terrorist organizations detained within the jurisdiction of the United States or by the U.S. government, including, but not limited to, the conduct of military commission prosecutions and the initiation and conduct of federal court proceedings.

These amendments are not intended to, and do not, imply or create any substantive right or cause of action against the United States, its officers or employees, or any other person.

Public Participation

Because the amendments of 31 CFR parts 594, 595, and 597 involve a foreign affairs function, Executive Order 12866 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.

Paperwork Reduction Act

The collections of information related to 31 CFR parts 594, 595, and 597 are contained in 31 CFR part 501 (the “Reporting, Procedures and Penalties Regulations”). Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), those collections of information have been approved by the Office of Management and Budget under control number 1505–0164. 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.

List of Subjects

31 CFR Part 594

Administrative practice and procedure, Banks, Banking, Currency, Foreign investments in United States, Penalties, Reporting and recordkeeping requirements, Securities, Terrorism.

31 CFR Part 595

Administrative practice and procedure, Banks, Banking, Currency, Foreign investments in United States, Penalties, Reporting and recordkeeping requirements, Securities, Terrorism.

31 CFR Part 597

Administrative practice and procedure, Banks, Banking, Currency, Foreign investments in United States, Penalties, Reporting and recordkeeping requirements, Securities, Terrorism.

■ For the reasons set forth in the preamble, the Office of Foreign Assets Control amends 31 CFR parts 594, 595 and 597 as follows:

PART 594—GLOBAL TERRORISM SANCTIONS REGULATIONS

■ 1. The authority citation for part 594 continues to read as follows:

Authority: 3 U.S.C. 301; 22 U.S.C. 287c; 31 U.S.C. 321(b); 50 U.S.C. 1601–1651, 1701–1706; Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note); Pub. L. 110–96, 121 Stat. 1011; E.O. 13224, 66 FR 49079, 3 CFR, 2001 Comp., p. 786; E.O. 13268, 67 FR 44751, 3

CFR, 2002 Comp., p. 240; E.O. 13284, 64 FR 4075, 3 CFR, 2003 Comp., p. 161.

Subpart E—Licenses, Authorizations, and Statements of Licensing Policy

■ 2. Amend § 594.506 by revising paragraph (a)(4), redesignating existing paragraph (a)(5) as (a)(6), and adding a new paragraph (a)(5) to read as follows:

§ 594.506 Provision of certain legal services authorized.

(a) * * *

(4) Representation of persons before any federal or state agency with respect to the imposition, administration, or enforcement of U.S. sanctions against such persons;

(5) Representation of persons, wherever located, detained within the jurisdiction of the United States or by the United States government, with respect to either such detention or any charges made against such persons, including, but not limited to, the conduct of military commission prosecutions and the initiation and conduct of federal court proceedings; and

* * * * *

PART 595—TERRORISM SANCTIONS REGULATIONS

■ 3. The authority citation for part 595 continues to read as follows:

Authority: 3 U.S.C. 301; 31 U.S.C. 321(b); 50 U.S.C. 1601–1651, 1701–1706; Pub. L. 101–410, 104 Stat. 890 (28 U.S.C. 2461 note); Pub. L. 110–96, 121 Stat. 1011; E.O. 12947, 60 FR 5079, 3 CFR, 1995 Comp., p. 319; E.O. 13099, 63 FR 45167, 3 CFR, 1998 Comp., p. 208.

Subpart E—Licenses, Authorizations, and Statements of Licensing Policy

■ 4. Revise § 595.506 to read as follows:

§ 595.506 Provision of certain legal services authorized.

(a) The provision of the following legal services to or on behalf of persons whose property or interests in property are blocked pursuant to § 595.201(a) is authorized, provided that all receipts of payment of professional fees and reimbursement of incurred expenses must be specifically licensed:

(1) Provision of legal advice and counseling on the requirements of and compliance with the laws of any jurisdiction within the United States, provided that such advice and counseling are not provided to facilitate transactions in violation of this part;

(2) Representation of persons when named as defendants in or otherwise made parties to domestic U.S. legal,

arbitration, or administrative proceedings;

(3) Initiation and conduct of domestic U.S. legal, arbitration, or administrative proceedings in defense of property interests subject to U.S. jurisdiction;

(4) Representation of persons before any federal or state agency with respect to the imposition, administration, or enforcement of U.S. sanctions against such persons;

(5) Representation of persons, wherever located, detained within the jurisdiction of the United States or by the United States government, with respect to either such detention or any charges made against such persons, including, but not limited to, the conduct of military commission prosecutions and the initiation and conduct of federal court proceedings; and

(6) Provision of legal services in any other context in which prevailing U.S. law requires access to legal counsel at public expense.

(b) The provision of any other legal services to persons whose property or interests in property are blocked pursuant to § 595.201(a), not otherwise authorized in this part, requires the issuance of a specific license.

(c) Entry into a settlement agreement affecting property or interests in property or the enforcement of any lien, judgment, arbitral award, decree, or other order through execution, garnishment, or other judicial process purporting to transfer or otherwise alter or affect property or interests in property blocked pursuant to § 595.201(a) is prohibited except to the extent otherwise provided by law or unless specifically licensed in accordance with § 595.202(e).

PART 597—FOREIGN TERRORIST ORGANIZATIONS SANCTIONS REGULATIONS

■ 5. The authority citation for part 597 continues to read as follows:

Authority: 31 U.S.C. 321(b); Pub. L. 101-410, 104 Stat. 890 (28 U.S.C. 2461 note); Pub. L. 104-132, 110 Stat. 1214, 1248-53 (8 U.S.C. 1189, 18 U.S.C. 2339B).

Subpart E—Licenses, Authorizations, and Statements of Licensing Policy

■ 6. Amend § 597.505 by redesignating existing paragraphs (e) and (f) as (f) and (g), respectively, and adding a new paragraph (e) to read as follows:

§ 597.505 Payment for certain legal services.

* * * * *

(e) Representation of an agent of a foreign terrorist organization, wherever

located, detained within the jurisdiction of the United States or by the United States government, with respect to either such detention or any charges made against such agent, including, but not limited to, the conduct of military commission prosecutions and the initiation and conduct of federal court proceedings;

* * * * *

Dated: December 17, 2008.

Adam J. Szubin,

Director, Office of Foreign Assets Control.

[FR Doc. E8-30532 Filed 12-22-08; 8:45 am]

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DEPARTMENT OF DEFENSE

Department of the Army, Corps of Engineers

33 CFR Part 334

Naval Restricted Area, Port Townsend, Indian Island, Walan Point, WA

AGENCY: U.S. Army Corps of Engineers, DoD.

ACTION: Final rule.

SUMMARY: The U.S. Army Corps of Engineers (Corps) is issuing a final rule to enlarge an existing restricted area within Port Townsend Bay, Indian Island, Walan Point, Washington. The purpose of the restricted area is to ensure the security and safety of the public, and satisfy security, safety and operational requirements as they pertain to naval vessels. The restricted area will be marked on navigation charts to ensure security and safety for the public.

DATES: *Effective Date:* January 22, 2009.

ADDRESSES: U.S. Army Corps of Engineers, Attn: CECW-CO (David B. Olson), 441 G Street, NW., Washington, DC 20314-1000, or by e-mail to david.b.olson@usace.army.mil.

FOR FURTHER INFORMATION CONTACT: Mr. David Olson, Headquarters, Operations and Regulatory Community of Practice, at 202-761-4922, Ms. Michelle Walker, Regulatory Branch Chief, U.S. Army Corps of Engineers, Seattle District, Northwest Division, at 206-764-6915, or Ms. Vicky Didenhover of the Regulatory Branch, U.S. Army Corps of Engineers, Seattle District, at 206-764-3311.

SUPPLEMENTARY INFORMATION: In the July 31, 2007, issue of the **Federal Register** (72 FR 41654), the Corps published a proposed rule to enlarge an existing restricted area in Port Townsend Bay, Indian Island, Walan Point, Washington.

In response to the proposed rule, we received 10 comments, two of which expressed support for the enlarged area. The remaining comments expressed the following concerns:

A. Pier lighting: One commenter expressed concern that the number and brightness of pier lights caused glare along the shoreline.

The existing lights will not change in connection with expansion of the restricted area. Pier lighting is controlled so that the minimum lighting for safety and security is used during pier operations, and pier lights are positioned to shine on the pier surface and into adjoining waters.

B. Fixed security barrier: Two commenters were concerned over aesthetic impacts and interference with navigation that would be caused by a physical barrier structure in the water and the buoys that position it.

Consideration of any fixed barrier is distinct from this regulatory action to expand the existing restricted area. Any proposal to place a physical barrier around the restricted area will be the subject of a separate environmental review.

C. Emergency response: Another commenter was concerned about the ability of the Navy and local municipalities to respond to an emergency involving the Navy's Indian Island facility.

The Navy has a robust emergency response system and closely coordinates with local response agencies. This expansion of the restricted area does not produce an aggravated risk of a safety or security situation for which additional emergency response would be required.

D. Accident potential: Two commenters expressed concern that, by constricting room available for navigation, the expansion of the restricted area could increase the risk of marine accidents.

This rulemaking will not result in physical changes to the Indian Island site that will present new navigational impediments. The present restricted area has been in effect since 1961, with no record of causing marine accidents or otherwise hindering navigation. Once this final rule goes into effect, the restricted area's boundaries will still lie approximately 1½ nautical miles from the nearest point on the Port Townsend-Keystone ferry route, and approximately 1,700 yards to the closest point of land at Kala Point. The coordinates defining the expanded restricted area were selected to avoid interference with established ferry routes, to minimize interference with the adjacent traffic lanes of Port Townsend Bay, and to minimize interference with traffic to the