License Exceptions

STA: Paragraph (c)(2) of License Exception STAs (§740.20(c)(2)) of the EAR may not be used for any “software” in 0D614.

List of Items Controlled

Unit: $ value

Related Controls: “Software” directly related to articles enumerated in USML Category IX is subject to the control of USML paragraph IX(e).

Related Definitions: N/A

Items:
- a. “Software” (other than “software” controlled in paragraph .y of this entry) “specially designed” for the “development,” “production,” operation or maintenance of commodities controlled by ECCNs 0A614 (except 0A614.y) or 0B614 (except 0B614.y).
- b. to x. [RESERVED]
- y. Specific “software” “specially designed” for the “production,” “development,” or operation or maintenance of commodities controlled by ECCNs 0A614 or 0B614, as follows:
  - y.1. Specific “software” “specially designed” for the “production,” “development,” or operation or maintenance of commodities controlled by ECCNs 0A614.y or 0B614.y.
  - y.2 through y.98 [RESERVED]
  - y.99. “Software” that would otherwise be controlled elsewhere in this entry but that (i) has been determined to be subject to the EAR in a commodity jurisdiction determination issued by the U.S. Department of State and (ii) is not otherwise identified elsewhere on the CCL.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 172

[Docket No. FDA—2012–F–0480]

Gruma Corporation, Spina Bifida Association, March of Dimes Foundation, American Academy of Pediatrics, Royal DSM N.V., and National Council of La Raza; Filing of Food Additive Petition

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice of petition.

SUMMARY: The Food and Drug Administration (FDA) is announcing that Gruma Corporation, Spina Bifida Association, March of Dimes Foundation, American Academy of Pediatrics, Royal DSM N.V., and National Council of La Raza have jointly filed a petition proposing that the food additive regulations be amended to provide for the safe use of folic acid in corn masa flour.


SUPPLEMENTARY INFORMATION: Under the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5) [21 U.S.C. 348(b)(5)]), notice is given that a food additive petition (FAP 2A4796) has been jointly filed by Gruma Corporation, Spina Bifida Association, March of Dimes Foundation, American Academy of Pediatrics, Royal DSM N.V., and National Council of La Raza, c/o Alston & Bird, LLP, 950 F Street NW., Washington, DC 20004–1404. The petition proposes to amend the food additive regulations in §172.345 Folic acid (folacin) (21 CFR 172.345) to provide for the safe use of folic acid in corn masa flour.

The Agency has determined under 21 CFR 25.32(k) that this action is of a type that does not individually or cumulatively have a significant effect on the human environment. Therefore, neither an environmental assessment nor an environmental impact statement is required.

Dated: June 7, 2012.

Kevin J. Wolf,
Assistant Secretary of Commerce for Export Administration.

BILLING CODE 3510–33–P

DEPARTMENT OF STATE

22 CFR Part 121

RIN 1400–AD15

[Public Notice 7920]

Amendment to the International Traffic in Arms Regulations: Revision of U.S. Munitions List Category IX

AGENCY: Department of State.

ACTION: Proposed rule.

SUMMARY: As part of the President’s Export Control Reform effort, the Department of State proposes to amend the International Traffic in Arms Regulations (ITAR) to revise Category IX (military training equipment) of the U.S. Munitions List (USML) to describe more precisely the materials warranting control on the USML. The revisions to this rule are part of the Department of State’s retrospective plan under E.O. 13563 completed on August 17, 2011.

BILLING CODE 4160–01–P
The Department of State’s full plan can be accessed at http://www.state.gov/documents/organization/181028.pdf.

DATES: The Department of State will accept comments on this proposed rule until July 30, 2012.

ADDRESSES: Interested parties may submit comments within 45 days of the date of publication by one of the following methods:

- Email: DDTCResponseTeam@state.gov with the subject line, “ITAR Amendment—Category IX.”
- Internet: At www.regulations.gov, search for this notice by using this rule’s RIN (1400–AD13).

Comments received after that date will be considered if feasible, but consideration cannot be assured. Those submitting comments should not include any personally identifying information they do not desire to be made public or information for which a claim of confidentiality is asserted because those comments and/or transmittal emails will be made available for public inspection and copying after the close of the comment period via the Directorate of Defense Trade Controls Web site at www.pmddtc.state.gov. Parties who wish to comment anonymously may do so by submitting their comments via www.regulations.gov, leaving the fields that would identify the commenter blank and including no identifying information in the comment itself. Comments submitted via www.regulations.gov are immediately available for public inspection.

FOR FURTHER INFORMATION CONTACT: Ms. Candace M. J. Goforth, Director, Office of Defense Trade Controls Policy, Department of State, telephone (202) 663–2792; email DDTCResponseTeam@state.gov. ATTN: Regulatory Change, USML Category IX.

SUPPLEMENTARY INFORMATION: The Directorate of Defense Trade Controls (DDTC), U.S. Department of State, administers the International Traffic in Arms Regulations (ITAR) (22 CFR parts 120–130). The items subject to the jurisdiction of the ITAR, i.e., “defense articles,” are identified on the ITAR’s U.S. Munitions List (USML) (22 CFR 121.1). With few exceptions, items not subject to the export control jurisdiction of the ITAR are subject to the jurisdiction of the Export Administration Regulations (“EAR,” 15 CFR parts 730–774, which includes the Commerce Control List (CCL) in Supplement No. 1 to Part 774), administered by the Bureau of Industry and Security (BIS), U.S. Department of Commerce. Both the ITAR and the EAR impose license requirements on exports and reexports. Items not subject to the ITAR or to the exclusive licensing jurisdiction of any other set of regulations are subject to the EAR.

Export Control Reform Update

The Departments of State and Commerce described in their respective Advanced Notices of Proposed Rulemaking (ANPRM) in December 2010 the Administration’s plan to make the USML and the CCL positive, tiered, and aligned so that eventually they can be combined into a single control list (see “Commerce Control List: Revising Descriptions of Items and Foreign Availability.” 75 FR 76664 (December 9, 2010) and “Revisions to the United States Munitions List.” 75 FR 76935 (December 10, 2010)). The notices also called for the establishment of a “bright line” between the USML and the CCL to reduce government and industry uncertainty regarding export jurisdiction by clarifying whether particular items are subject to the jurisdiction of the ITAR or the EAR. While these remain the Administration’s ultimate Export Control Reform objectives, their concurrent implementation would be problematic in the near term. In order to more quickly reach the national security objectives of greater interoperability with U.S. allies, enhancing the defense industrial base, and permitting the U.S. Government to focus its resources on controlling and monitoring the export and reexport of more significant items to destinations, end-uses, and end-users of greater concern than NATO allies and other multi-regime partners, the Administration has decided, as an interim step, to propose and implement revisions to both the USML and the CCL that are more positive, but not yet tiered.

Specifically, based in part on a review of the comments received in response to the December 2010 notices, the Administration has determined that fundamentally altering the structure of the USML by tiering and aligning it on a category-by-category basis would significantly disrupt the export control compliance systems and procedures of exporters and reexporters. For example, until the entire USML was revised and became final, some USML categories would follow the legacy numbering and control structures while the newly revised categories would follow a completely different numbering structure. In order to allow for the national security benefits to flow from re-aligning the jurisdictional status of defense articles that no longer warrant control on the USML on a category-by-category basis while minimizing the impact on exporters’ internal control and jurisdictional and classification marking systems, the Administration plans to proceed with building positive lists now and afterward return to structural changes.

Revision of Category IX

This proposed rule would revise USML Category IX, covering military training equipment, to further the national security objectives set forth above and to more accurately describe the articles within the category in order to establish a “bright line” between the USML and the CCL for the control of these articles.

The title of the category is changed to indicate that it covers training equipment only. Training on a defense article would be a defense service covered under the category in which the defense article is enumerated.

Paragraph (a) is to list all the types of training equipment covered in the category.

Paragraph (b) is also revised to more specifically describe the items (simulators) controlled therein. Radar target generators are to be controlled in Category XII(a). Infrared scene generators are to be controlled in Category XII(c).

Tooling and production equipment, currently controlled in paragraph (c), are to be covered on the CCL in proposed ECCN 0B614.

The most significant aspect of this more positive, but not yet tiered, proposed USML category is that it does not contain controls on all generic parts, components, accessories, and attachments (currently captured in paragraph (d)) that are in any way specifically designed or modified for a defense article, regardless of their significance to maintaining a military advantage for the United States. These items are to be subject to the new 600 series controls in Category 0 of the CCL, to be published separately by the Department of Commerce. Parts, components, accessories, or attachments of a simulator that are common to the simulated system or end-item are to be controlled under the USML Category or CCL ECCN as the parts, components, accessories, and attachments of the simulated system or end-item.

Definition for Specially Designed

Although one of the goals of the export control reform initiative is to describe USML controls without using design intent criteria, a few of the controls in the proposed revision nonetheless use the term “specially designed.” It is, therefore, necessary for the Department to define the term. Two
proposed definitions have been published to date.

The Department first provided a draft definition for “specially designed” in the December 2010 ANPRM (75 FR 76935) and noted the term would be used minimally in the USML, and then only to remain consistent with the Wassenaar Arrangement or other multilateral regime obligation or when no other reasonable option exists to describe the control without using the term. The draft definition provided at that time is as follows: “For the purposes of this Subchapter, the term ‘specially designed’ means that the end-item, equipment, accessory, attachment, system, component, or part (see ITAR § 121.8) has properties that (i) distinguish it for certain predetermined purposes, (ii) are directly related to the functioning of a defense article, and (iii) are used exclusively or predominantly in or with a defense article identified on the USML.”

The Department of Commerce subsequently published on July 15, 2011, for public comment, the Administration’s proposed definition of “specially designed” that would be common to the CCL and the USML. The public provided more than 40 comments on that proposed definition on or before the September 13 deadline for comments. The Departments of State, Commerce, and Defense are now reviewing those comments and related issues, and the Departments of State and Commerce plan to publish for public comment another proposed rule on a definition of “specially designed” that would be common to the USML and the CCL. In the interim, and for the purpose of evaluation of this proposed rule, reviewers should use the definition provided in the December ANPRM.

Request for Comments

As the U.S. Government works through the proposed revisions to the USML, some solutions have been adopted that were determined to be the best of available options. With the thought that multiple perspectives would be beneficial to the USML revision process, the Department welcomes the assistance of users of the lists and requests input on the following:

(1) A key goal of this rulemaking is to ensure the USML and the CCL together control all the items that meet Wassenaar Arrangement commitments embodied in Mitions List Category 14 (WA–ML14). To that end, the public is asked to identify any potential lack of coverage brought about by the proposed rules for Category IX contained in this notice and the new Category 0 ECCNs published separately by the Department of Commerce when reviewed together.

(2) The key goal of this rulemaking is to establish a “bright line” between the USML and the CCL for the control of these articles. The public is asked to provide specific examples of articles whose jurisdiction would be in doubt based on this revision.

Regulatory Analysis and Notices

Administrative Procedure Act

The Department of State is of the opinion that controlling the import and export of defense articles and services is a foreign affairs function of the United States Government and that rules implementing this function are exempt from § 553 (Rulemaking) and § 554 (Adjudications) of the Administrative Procedure Act (APA). Although the Department is of the opinion that this rule is exempt from the rulemaking provisions of the APA, the Department is publishing this rule with a 45-day provision for public comment and without prejudice to its determination that controlling the import and export of defense services is a foreign affairs function. As noted above, and also without prejudice to the Department position that this rulemaking is not subject to the APA, the Department, previously published a related Advance Notice of Proposed Rulemaking (RIN 1400–AC78), and accepted comments for 60 days.

Regulatory Flexibility Act

Since the Department is of the opinion that this rule is exempt from the rulemaking provisions of 5 U.S.C. 553, it does not require analysis under the Regulatory Flexibility Act.

Unfunded Mandates Reform Act of 1995

This proposed amendment does not involve a mandate that will result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of $100 million or more in any year and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

Small Business Regulatory Enforcement Fairness Act of 1996

This proposed amendment has been found not to be a major rule within the meaning of the Small Business Regulatory Enforcement Fairness Act of 1996.

Executive Orders 12372 and 13132

This proposed amendment will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 13132, it is determined that this proposed amendment does not have sufficient federalism implications to require consultations or warrant the preparation of a federalism summary impact statement. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities do not apply to this proposed amendment.

Executive Orders 12866 and 13563

Executive Orders 13563 and 12866 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributed impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This rule has been designated a “significant regulatory action,” although not economically significant, under section 3(f) of Executive Order 12866. Accordingly, the rule has been reviewed by the Office of Management and Budget (OMB).

Executive Order 12988

The Department of State has reviewed the proposed amendment in light of sections 3(a) and 3(b)(2) of Executive Order 12988 to eliminate ambiguity, minimize litigation, establish clear legal standards, and reduce burden.

Executive Order 13175

The Department of State has determined that this rulemaking will not have tribal implications, will not impose substantial direct compliance costs on Indian tribal governments, and will not preempt tribal law. Accordingly, Executive Order 13175 does not apply to this rulemaking.

Paperwork Reduction Act

Notwithstanding any other provision of law, no person is required to respond to, nor is subject to a penalty for failure to comply with, a collection of information, subject to the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) (PRA), unless that collection of information displays a currently valid OMB control number. This proposed rule would affect the
would decrease the number of license applications by approximately 30,000 annually. The Department of State is looking for comments on the potential reduction in burden.

List of Subjects in Part 121

Arms and munitions, Exports.

Accordingly, for the reasons set forth above, Title 22, Chapter I, Subchapter M, part 121 is proposed to be amended as follows:

PART 121—THE UNITED STATES MUNITIONS LIST

1. The authority citation for part 121 continues to read as follows:


2. Section 121.1 is amended by revising U.S. Munitions List Category IX to read as follows:

§ 121.1 General. The United States Munitions List.

Category IX—Military Training Equipment

(a) Training equipment, as follows:

(1) Ground, surface, submersible, space, or towed airborne targets that:

(i) Have an infrared, radar, acoustic, magnetic, or thermal signature that mimic a specific defense article, other item, or person; or

(ii) Are instrumented to provide hit/miss performance information;

(b) Simulators, as follows:

(i) Is classified;

(ii) Contains classified software;

(iii) Is manufactured using classified production data; or

(iv) Is being developed using classified information.

“Classified” means classified pursuant to Executive Order 13526, or predecessor order, and a security classification guide developed pursuant thereto or equivalent, or to the corresponding classification rules of another government.

Note to paragraph (a): Training equipment does not include combat games without item signatures or tactics, techniques, and procedures covered by this subchapter.

(1) System specific simulators that replicate the operation of an individual crew station, a mission system, or a weapon of an end-item that is controlled in this subchapter;

(2) Authority to dispose training for ordnance articles enumerated in this subchapter;

(3) Software and associated databases not elsewhere enumerated in this subchapter that can be used to simulate the following:

(i) Trainers specified by this category;

(ii) Battle management;

(iii) Military test scenarios/models; or

(iv) Effects of weapons enumerated in this subchapter;

(4) Simulators that:

(i) Are classified;

(ii) Contain classified software;

(iii) Are manufactured using classified production data; or

(iv) Are being developed using classified information.

“Classified” means classified pursuant to Executive Order 13526, or predecessor order, and a security classification guide developed pursuant thereto or equivalent, or to the corresponding classification rules of another government.

Note to paragraph (a)(1): Target drones are controlled in Category VIII(a).

(2) Devices that are mockups of articles enumerated in this subchapter used for maintenance training or disposal training for ordnance enumerated in this subchapter;

(3) Air combat maneuvering instrumentation and ground stations therefor;

(4) Physiological flight trainers for fighter aircraft or attack helicopters;

(5) Radar trainers “specially designed” for training on radars controlled by Category XI;

(6) Training devices “specially designed” to be attached to a crew station, mission system, or weapon of an article controlled in this subchapter;

Note to paragraph (a)(6): This paragraph includes simulators that are built-in or add-on devices that cause the actual equipment to act as a trainer.

(i) Anti-submarine warfare trainers;

(ii) Missile launch trainers;

(iii) Any training device that:

(a) Have an infrared, radar, or acoustic signature;

(b) Effects of weapons enumerated in this subchapter;

(c) Are classified;

(d) Are manufactured using classified production data; or

(e) Are being developed using classified information;
DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 100

[Docket Number USCG–2012–0482]

RIN 1625–AA08

Special Local Regulations for Marine Events, Wrightsville Channel; Wrightsville Beach, NC

ACTION: Notice of Proposed Rulemaking.

SUMMARY: The Coast Guard proposes a Special Local Regulation for the “Swim Harbor Island” swim event, to be held on the waters adjacent to and surrounding Harbor Island in Wrightsville Beach, North Carolina. This Special Local Regulation is necessary to provide for the safety of life on navigable waters during the event. This action is intended to restrict vessel traffic on the Atlantic Intracoastal Waterway within 550 yards north and south of the U.S. 74/76 Bascule Bridge crossing the Atlantic Intracoastal Waterway, mile 283.1, at Wrightsville Beach, North Carolina, during the swim event.

DATES: Comments and related material must be received by the Coast Guard on or before July 13, 2012.

ADDRESSES: You may submit comments identified by docket number using any one of the following methods:


(2) Fax: 202–493–2251.

(3) Mail or Delivery: Docket Management Facility (M–30), U.S. Department of Transportation, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590–0001. Deliveries accepted between 9 a.m. and 5 p.m., Monday through Friday, except federal holidays. The telephone number is 202–366–9329.

See the “Public Participation and Request for Comments” portion of the SUPPLEMENTARY INFORMATION section below for further instructions on submitting comments. To avoid duplication, please use only one of these three methods.

FOR FURTHER INFORMATION CONTACT: If you have questions on this rule, call or email BOSN3 Joseph M. Edge, Coast Guard Sector North Carolina, Coast Guard; telephone 252–247–4525, email Joseph.M.Edge@uscg.mil. If you have questions on viewing or submitting material to the docket, call Renee V. Wright, Program Manager, Docket Operations, telephone (202) 366–9826.

SUPPLEMENTARY INFORMATION:

Table of Acronyms:

DHS Department of Homeland Security
FR Federal Register
NPRM Notice of Proposed Rulemaking

A. Public Participation and Request for Comments

We encourage you to participate in this rulemaking by submitting comments and related materials. All comments received will be posted without change to http://www.regulations.gov and will include any personal information you have provided.

1. Submitting Comments

If you submit a comment, please include the docket number for this rulemaking, indicate the specific section of this document to which each comment applies, and provide a reason for each suggestion or recommendation. You may submit your comments and material online at http://www.regulations.gov, or by fax, mail, or hand delivery, but please use only one of these means. If you submit a comment online, it will be considered received by the Coast Guard when you successfully transmit the comment. If you fax, hand deliver, or mail your comment, it will be considered as having been received by the Coast Guard when it is received at the Docket Management Facility. We recommend that you include your name and a mailing address, an email address, or a telephone number in the body of your document so that we can contact you if we have questions regarding your submission.

To submit your comment online, go to http://www.regulations.gov, type the docket number (USCG–2012–0482) in the “SEARCH” box and click “SEARCH.” Click on “Submit a Comment” on the line associated with this rulemaking.

If you submit your comments by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. If you submit comments by mail and would like to know that they reached the Facility, please enclose a stamped, self-addressed postcard or envelope. We will consider all comments and material received during the comment period and may change the rule based on your comments.

2. Viewing Comments and Documents

To view comments, as well as documents mentioned in this preamble as being available in the docket, go to http://www.regulations.gov, type the docket number (USCG–2012–0482) in the “SEARCH” box and click “SEARCH.” Click on Open Docket Folder on the line associated with this rulemaking. You may also visit the Docket Management Facility in Room W12–140 on the ground floor of the Department of Transportation West Building, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

3. Privacy Act

Anyone can search the electronic form of comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review a Privacy Act notice regarding our public dockets in the January 17, 2008, issue of the Federal Register (73 FR 3316).

4. Public Meeting

We do not now plan to hold a public meeting. But you may submit a request for one, using one of the methods specified under ADDRESSES. Please explain why you believe a public meeting would be beneficial. If we determine that one would aid this rulemaking, we will hold one at a time and place announced by a later notice in the Federal Register.

B. Basis and Purpose

On September 29, 2012 from 7 a.m. to 11 a.m., Without Limits Coaching will sponsor “Swim Harbor Island” on the waters adjacent to and surrounding Harbor Island in Wrightsville Beach, North Carolina. The swim event will consist of up to 200 swimmers swimming a 3.5 mile course around Harbor Island in Wrightsville Beach, North Carolina. To provide for the safety of participants, spectators and other transiting vessels, the Coast Guard will temporarily restrict vessel traffic in the event area during this event.

C. Discussion of Proposed Rule

The Coast Guard is proposing establishing a safety zone on the navigable waters of the Atlantic Intracoastal Waterway 550 yards north and south of the U.S. 74/76 Bascule Bridge, mile 283.1, latitude 34°13′06″.